



Barclays PLC
Annual Report 2022
Part 1: Strategic report

Prepared for the road ahead



Fulfilling our Purpose

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.

and our Values...

Respect

Integrity

Service

Excellence

Stewardship

influence our strategy...

Our diversification, built to deliver double-digit returns



Strategic priorities to sustain and grow



delivered through Group synergies...

We work as one organisation to create synergies and deliver greater value.

creating positive outcomes for our stakeholders.

Customers and clients

Colleagues

Society

Investors

Parts 1, 2 and 3 of Barclays PLC 2022 Annual Report together comprise Barclays PLC's annual accounts and report for the purposes of Section 423 of the Companies Act 2006.

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Please note that throughout the document, graphical representation of component parts may not cast due to rounding.

Strategic report

The Barclays PLC Strategic Report 2022 was approved by the Board of Directors on 14 February 2023 and signed on its behalf by the Chairman.

The Strategic Report 2022 is a part of Barclays PLC's Annual Report 2022 and is not the Group's statutory accounts. It does not contain the full text of the Directors' Report, and it does not contain sufficient information to allow as full an understanding of the results and state of affairs of the Group and of its policies and arrangements concerning Directors' remuneration as would be provided by the full Annual Report 2022.

Report of the auditor

The Auditor's report on the Financial statements of Barclays PLC for the year ended 31 December 2022 was unmodified, and its statement under Section 496 of the Companies Act 2006 was also unmodified (see page 399 of Part 3 of the Annual Report 2022).

Group overview

A resilient universal bank built to deliver double digit returns

Barclays supports individuals and small businesses through our consumer banking services, and larger businesses and institutions through our corporate and investment banking services. Barclays is diversified by business, geography and income type.



£7.0bn
Profit before tax
(PBT)

£336.5bn
Risk weighted assets
(RWAs)

10.4%
Return on tangible equity
(RoTE)

Barclays UK

£2.6bn PBT £73.1bn RWAs 18.7% RoTE

UK retail and business banking

Helping customers with their day-to-day banking needs and business services for clients from high-growth start-ups to small and medium enterprises (SMEs).

[+ Read more](#)
Page 49

Barclays International

£5.0bn PBT £254.8bn RWAs 10.2% RoTE

Consumer, Cards and Payments

Offering credit cards and retail products outside of the UK, a global private bank, and enabling businesses around the world to make and receive payments.

[+ Read more](#)
Page 54

Corporate and Investment Bank

Aiding money managers, financial institutions, governments, supranational organisations and corporate clients to manage their funding, financing, strategic and risk management needs.

[+ Read more](#)
Page 52

Barclays Execution Services

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

Prepared for the road ahead

Our Purpose is to deploy finance responsibly to support people and businesses, for the common good and the long term. To do so we must be strong as an institution, prepared for the future, able to navigate change and focused on the evolving needs of our stakeholders.

Our model and strategy are designed to ensure we remain resilient through market cycles and long-term trends. In recent years our diversified model has delivered sustained income growth even through significant macroeconomic change.

Our strategic priorities anticipate three major trends:

The impact of technology on consumer products and services

As the impact of technology on consumers continues to drive innovation and market access, our UK retail and business bank, combined with our international consumer lending, cards and payments franchise, give us breadth across consumer financial services. We have invested in our platforms including cloud technology and our mobile applications, creating more versatile, lower cost infrastructure. Combined with the depth and quality of our customer data and insight, we are well placed to anticipate the ever-changing needs and expectations of consumers and small businesses, delivering more personalised products and services.

The role of capital markets as the principal driver of global growth

The long-term shift to capital markets as the principal source of funding has continued across both public and private markets, growing the investment banking fee wallet. As one of the few global diversified banks headquartered outside of the US, but with a scale Corporate and Investment Bank in the US, our model allows us to support our clients' financing activity. We offer expertise in a wide range of services, including financial advisory, capital raising, financing and risk management services. These services help corporations, financial institutions and governments worldwide to raise capital and manage their risks. As the competitor market evolves, we have adapted to capture new opportunities including growing our franchise in Europe and the US, expanding in certain sectors or products, and integrating our approach to our clients to offer the best solutions to the most complex needs.

The transition of the global economy towards low-carbon energy

The transition towards a low-carbon economy is one of the defining challenges in the current and coming decades. Helping customers and clients to navigate this complex challenge will be an important part of fulfilling our Purpose and capturing the opportunity this global economic shift offers. We are building our expertise in this area to help customers and clients with their needs, as well as working to reduce our financed and own operational emissions. Furthermore, we are investing in businesses developing innovative new technologies which address the challenge, helping them to grow and to support the transition.

We continually review our operating environment for emerging trends, including regulation, and adapt to address them, as we have with our strategic priorities. These trends are considered throughout the report, including on pages detailing progress against our strategy and in the divisional reporting.

Chairman's introduction

We are resilient for the future

2022 was a year of almost unprecedented challenges for Barclays and for society more broadly. As a bank, we continued to demonstrate our resilience, our ability and commitment to support customers, clients and wider stakeholders in ever-changing economic conditions.



In my letter in last year's Annual Report, I talked about the challenging times ahead. It is clear this was an understatement. The intervening year has seen war in Europe, increasingly frequent climate disasters, COVID-19 still a great threat in large parts of the world, a partial reeling-in of globalisation and considerable pressure on households and businesses from rising costs. We have left behind the economic comfort zone of low inflation and predictable interest rates. The reasonably free flow of goods, including sources of energy, around the world can no longer be so easily taken for granted. As a result of these and other factors, free market capitalism is not just under increasing pressure but, rightly, faces a more forceful requirement to demonstrate how it can contribute to inclusive, sustainable and global economic growth.

In such times it is good to be able to report that Barclays remains financially and operationally resilient. We finished the year with both a return on capital and a capital ratio that met the target levels which we had set. All of our businesses, across consumer and wholesale, performed well.

I am also pleased to report that Venkat and Anna, the new Chief Executive and Chief Financial Officer respectively, have navigated well the challenges of their first year. However, they, their Executive Committee colleagues, and the Board as a whole, are very conscious that there is much work ahead. First, the very uncertainty that has created the volatility that in turn powered the results in Markets can have adverse consequences for households and corporate customers; we will work hard to support our customers and clients through this period.

Secondly, we have to improve aspects of the way Barclays operates in order to eliminate the type of error that led to the loss relating to the issuance of securities materially in excess of the limits under certain of our US registration statements. This incident reflects internal failings which we are determined to remedy; elsewhere in this report we cover in more detail this issue, its causes and consequences and what we have done and are doing to mitigate the risk of any similar failings.



Free market capitalism faces a more forceful requirement to demonstrate how it can contribute to inclusive, sustainable and global economic growth.

In light of this incident and the environment in which we operate, we must make sure that our programmes embed a higher standard of operational performance, and demonstrate measurable progress to shareholders. Thirdly, our share price performance has not reflected the underlying business strength. It is only with consistent performance, without the negative impact of avoidable incidents, that we can hope to earn a better reputation for reliable earnings and thereby materially reduce the discount at which the bank's shares trade to our book value.

Facts and figures

30.8p

EPS

2021: 36.5p

7.25p

Dividend

2021: 6.0p

£1.0bn

Announced buyback of shares

2021: £1.5bn

c.13.4p

Total payout per share^a

2021: 15.0p

Note:

^a Includes total dividend for 2022 of 7.25p per share and total share buybacks announced in relation to 2022 of £1.0bn.

Chairman's introduction (continued)

As Venkat says in his letter, we therefore go into 2023 determined to remain resilient in all respects, whilst performing at a more consistently excellent level. Considerable investment and progress have been made over the last five or so years to enhance the resilience of our business, but there are still investments to be made, processes to simplify and behaviours to change before we can be more satisfied with our overall performance.

Returning to the broader theme of the role of business in addressing today's socio-economic and other challenges, I would like to comment on the ever-increasing need for partnership between the public and the private sector.

Let me begin by emphasising that we welcome constructive dialogue between finance, industry and government. Finance has a big role to play in supporting growth initiatives in the UK whilst at the same time protecting households and smaller businesses as far as we can from the immediate ramifications of high inflation, higher interest rates and other disruptions in the economy. Barclays has the people and skills to compete with the best internationally, to bring best-in-class business practices to the UK and to export its services elsewhere. To do so, it is important that its ability to compete is supported by developments at home, political and regulatory. We welcome the UK Government's 'Edinburgh Reforms' and it is good too that the UK Government and regulators embrace the importance of both competition and of competitiveness, and the need to re-energise the UK's capital markets. A strong prudential regime is part of that, provided it operates in coherence with international standards and practices. But it is not, alone, sufficient as a means to facilitate the domestic and international competitiveness of our major financial institutions and capital markets.



There is a purpose, energy and creativity in the people of Barclays which will continue to be deployed for the benefit of the communities we serve.

Good engagement between authorities and industry about the outcomes of policy and supervision, and the complex interactions of policy with broader market dynamics, are necessary to deliver the agility and innovation both government and business want to see from the UK's financial sector. The new measures and obligations in the Financial Services and Markets Bill helpfully clarify the importance both of competitiveness as an outcome of policy and of transparent and informed public debate in this regard. The success of these measures will not be in the legislation per se, but in the quality of debate it establishes between government, regulators, business and parliamentarians, and the direction it thereby informs and creates.

Secondly, I have written before about our role in addressing effectively the climate challenge, whilst meeting the world's energy demands at the same time. In the last year, energy security has joined sustainability and affordability as a major challenge. The financial sector has an important part to play in ensuring that we help address all three dimensions – the energy trilemma. We recognise that a faster transition from fossil fuels to lower carbon energy is necessary to meet the Paris Agreement goals.

All this needs to be done affordably and in an orderly fashion and in collaboration and alignment with governments' energy strategies. The Inflation Reduction Act in the US has been a significant step forward. Barclays has committed to play a full role in supporting our clients in their transition and we have now developed a framework to assess our high emitting clients' transition plans. In 2022 we facilitated £25bn of new green financing and we have also now announced a new target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030.

At a more micro level in the UK, we are piloting schemes to help retail customers finance energy-efficiency solutions and the adoption, where possible, of non-fossil fuel energy in the home. We look forward to working with the UK Government on more extensive versions of these schemes.

Thirdly, and to some extent bringing these two themes together, Barclays has a big role to play in financing innovation and technology, whether at the start-up point or as companies mature. Barclays as a whole operates as an ecosystem to support innovation and entrepreneurship, creating new opportunities for employment with both our Sustainable Impact Capital fund and our work with the inspiring entrepreneurs we meet through the Unreasonable Impact Partnership. Many of these innovators are of course focused on adapting existing technology and practice to reduce carbon intensity in a way that supports consumers and business to adapt their activities to become less carbon-intensive.

As companies mature, many of them seek further funding through the public stock markets and it is important for the UK and its growth agenda that reforms are undertaken to rekindle the appetite for equity growth, which was once a stronger feature of the London markets. Barclays is committed to playing its part, with government and asset owners, in addressing

both the demand-side and supply-side issues which have led to a decline in equity ownership in the UK, a reduction in UK listings and IPOs, and a diminution of the risk appetite of UK capital.

Thank you

I would like to start by thanking all my Board colleagues for their contributions this last year. Following their long service to the Board, I would like to single out Mike Ashley and Crawford Gillies in particular and wish them the very best as they retire in 2023. They have supported Barclays through a period of considerable change and made a real difference to the organisation in their roles. I am very pleased that Julia Wilson, who joined us in 2021, will take over as Chair of the Audit Committees of Barclays and Barclays Bank PLC in April. In January we announced the appointments of Marc Moses and Sir John Kingman, both of whom have deep experience of financial services and will further strengthen the Board. Sir John will succeed Crawford as Chair of Barclays Bank UK PLC in June.

Barclays has nearly 90,000 employees. As I have remarked before, I have always been humbled by the dedication of colleagues to the pursuit of our Purpose and by the way they embrace the societal and climate challenges I have described. Without full engagement of colleagues our LifeSkills programme would not have been able to reach and make a difference to the lives of more than 18 million young people in almost a decade. There is a purpose, energy and creativity in the people of Barclays which will continue to be deployed for the benefit of the communities we serve as we head into the uncertainties ahead.

Nigel Higgins
Chairman

Chief Executive's introduction

Strong and supportive franchise in testing times

Our strong operating performance in 2022 has been powered across all our businesses - they have individually generated strong returns in an uncertain operating environment, and they fit well together. We played an important role in delivering value for our stakeholders, and in helping them overcome the challenges they faced this year.



We see clear opportunity for financial services to contribute new approaches to address complex issues including energy independence and efficiency, housing and economic growth.



I write to you at the end of a year which saw many unexpected events. It followed a sequence of such years and may not be the last one. In 2022, we witnessed the largest conflict in Europe since World War II, a resulting energy security crisis, a sustained rise in interest rates across the developed world, political uncertainty in the UK with associated movement in gilt yields and in sterling, and the first re-alignment of global geopolitical lines since the end of the Cold War. A year ago, I wrote that we were entering a period of unusual uncertainty. I had far more benign scenarios in mind than what has actually transpired. Not only was this an eventful year, but it has followed the devastating human and economic tragedy of COVID-19, the repercussions of which still persist. Lastly, in Barclays, in 2022 we faced our own challenge of discovering and reacting to a costly over-issuance of securities in the US.

I want to use this letter to share my views on our performance and our priorities, and also my thoughts on the UK as we look ahead into 2023. Our performance has been strong but we must remain prepared for testing economic and market conditions.

Our performance

Our business performed well in 2022 and we have demonstrated our continued financial resilience, notwithstanding the unusual events of the year. We created broad-based income growth even as we continued to take a cautious approach to the macro environment. We produced an annual income of £25.0bn, PBT of £7.0bn, Return on Tangible Equity of 10.4% and ended the year with a CET1 ratio of 13.9%. We have approved dividends of 7.25p per share and announced buybacks of £1.0bn worth of shares for the year ended 31 December 2022. Our share count has decreased by over 9% since December 2020.

I attribute this performance to the strength of our franchise — our businesses are operating well individually and complement each other collectively.

Barclays UK, which serves consumers and small businesses across the country, produced income of £7.3bn, PBT of £2.6bn and a RoTE of 18.7%. The income growth in the business was the result of higher interest rates, increased transaction-based revenues and higher mortgage balances. It was particularly important that we kept our costs flat at £4.3bn (2021: £4.4bn), as a result of a long-term ongoing programme of digitising the production and delivery of our offerings. Our Consumer, Cards and Payments business which includes our partnership cards business in the US, the Payments business and our growing Private Bank, generated income of £4.5bn, PBT of £0.7bn and a RoTE of 10.0%. We also continue to make good progress in combining Barclays UK Wealth and Investment Management business with our Private Banking business.

Chief Executive's introduction (continued)

Facts and figures

£25.0bn

Total income
2021: 21.9bn

£7.0bn

Profit before tax
2021: £8.2bn

10.4%

Return on Tangible Equity
2021: 13.1%

13.9%

CET1 capital
2021: 15.1%

This is the first step in an integrated approach to help clients manage their personal finances over their lifetimes.

In the Corporate and Investment Bank (CIB), we have ranked number six for Global Markets for the last three years, growing market share, particularly in our trading businesses. These desks, especially in Fixed Income, managed their risk well and provided excellent market access and liquidity to clients during the many periods of tumult in 2022. The revenues in trading compensated for a weaker performance in Investment Banking, which was consistent with declines in capital markets activity across the industry.

In addition to our operating businesses performing well in 2022, we managed our interest rate risk prudently. Rising interest rates deliver a net interest margin benefit but can reduce the value of our capital holdings. Through careful Treasury management in anticipation of rising rates, we have benefited from the former and minimised the latter. Managing our interest rate exposure programmatically through a 'structural hedge' allowed us to capture and spread out the benefits of rising rates on our Net Interest Income (NII) across many years. As a result, we expect our NII to have a tailwind in 2023 and beyond.

Our priorities

Our strong operating performance has been in the context of the three priorities which I outlined in my letter last year.

The first priority is to build next generation, digitised consumer financial services. This year, we took important steps towards that goal.

In the US, we completed the acquisition of a partnership credit card portfolio from Gap, increasing our balances by \$3.3bn and adding 10 million new customers, doubling our customer base. Our US consumers are mostly served digitally and, as this transaction demonstrated, it is a more scalable business. Second, in the UK we agreed to purchase Kensington Mortgage Company, a specialist mortgages lending platform which lends via brokers to customers with complex incomes using proprietary technology and data analytics. Lastly, we continue to increase our provision of digital services to customers in the UK, particularly to those customers who once depended almost entirely on branches for most everyday banking needs.



Technology has allowed many tasks to be completed digitally, at the customer's convenience and unbounded by opening hours.

Technology has allowed many of those tasks to be completed digitally, at the customer's convenience and unbounded by opening hours. Even in the context of digital service, there is an important place for face-to-face interaction for some customers and for certain needs. This year, we began testing different approaches to serving communities which can no longer support a branch but where there is a need for a physical presence. These formats include pop-up services, mobile vans and pods, all of which can be located conveniently for customers. By year end we had deployed 200 around the country. We also deployed our Cashback Without Purchase programme allowing customers to withdraw cash from merchants where other means aren't easily available.

Chief Executive's introduction (continued)

The second growth priority is to produce sustainable growth in the CIB. We have continued to diversify our income in the CIB, growing our financing business in Markets to balance the intermediary business. For example, our investment in Financing has continued and income has grown by c.16% CAGR from 2019-2022. This diversification allows us to generate income even in periods of relatively low market volatility, creating more predictable revenues. We are focused on being the corporate banking partner of choice for clients across our CIB core markets and delivered increased transaction banking revenue in 2022. We have continued to invest in people and technology. We have broadened our trading teams, and our capability in Investment Banking coverage and advisory, and in November we opened new state-of-the-art trading floors in our London headquarters.

Our third priority is to continue to support our clients and capture opportunities as the world transitions to a low-carbon economy. We are building capability and reputation with clients in this area. We continued to invest in senior talent to help build expertise in sustainable finance, so that we are better able to support our clients as they transition their businesses to a low-carbon economy. An example of our growing strength was acting as the sole M&A advisor to ConEdison in the \$6.8bn sale of its clean energy business.

We have made good progress in two priority areas to support the transition to a low-carbon economy: investing in sustainable technology start-ups, and facilitating sustainable finance. With the former, our early commitment of Sustainable Impact Capital of up to £175m by 2025 generated substantial demand and in December 2022 we announced we would increase that to £500m by the end of 2027.

This scale of early investment has helped to stimulate innovation in climate technology from residential property retrofit to energy storage and hydrogen technologies. This next phase of Sustainable Impact Capital investments we expect will see a focus on decarbonisation technologies within carbon-intensive sectors, particularly where Barclays has meaningful client exposure such as energy and power, real estate and transport.

In respect of financing the transition, Barclays has passed its 2018 target to deliver £150bn of Social, Environmental and Sustainability-linked financing by 2025 and is on track to meet its target to deliver £100bn of Green Finance well ahead of the 2030 target date. As a result of a strategic review of our capabilities, market demand and new growth opportunities, we announced a new target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030.

Alongside global capital markets, support from governments and regulators is critical to setting the right frameworks to guide action and support investment decisions. This theme of governments and the capital markets working together to solve large and complex issues is one to which I will return later in this letter.

Supporting customers and clients

Barclays' financial performance and our progress against our strategic priorities is inextricably linked to the global economy and the financial wellbeing of our customers and clients.

Barclays has long sought to build the employability skills and improve the financial health of our communities by providing people with the information and tools more confidently to manage their money. Our LifeSkills programme has been the nucleus of this effort for almost a decade, reaching 18 million people.



We continued to invest in senior talent to help build expertise in sustainable finance, so that we are better able to support our clients as they transition their businesses.

This year, we have expanded the programme in partnership with charities like the Trussell Trust to help communities most in need. In the face of a sharply rising cost of living, we also launched a Money Worries hub in September, to help UK customers evaluate and manage the impact of rising inflation and interest rates on their personal finances. In particular cases where we identify customers entering financial distress we have offered tailored help to support them.

Skills and information are one way we can build financial resilience. In September we launched another, the Rainy Day Saver, a new instant-access account with an interest rate of 5% on balances up to £5,000. The product is designed specifically to help customers build savings equivalent to three months of outgoings for an average household, providing a cushion should they need it.

A major effect of rising rates is the increased cost of mortgage interest. With approximately a quarter of customers approaching the end of their fixed-rate terms each year, we increased the window for renewing from 90 days to 180 days prior to the fixed rate ending, enabling customers to lock in a new fixed rate, should they so wish, in anticipation of further rate rises.

Small and Medium Enterprises (SME) customers are also facing pressure from rising wages and input costs without being able to pass them onward. We held 450 'Masterclasses' for these customers, helping them anticipate and manage pressures common to many small businesses.

This focus on supporting the needs of our retail and SME customers is matched in our wholesale business, through which we support governments and some of the largest financial and industrial enterprises in the world by managing their financial risk and growth ambitions. In volatile markets, through tremendous economic uncertainty, that ability to deliver for clients is critical.

Chief Executive's introduction (continued)

Managing Barclays excellently

Our strong support of wholesale clients and consumers this year has shown Barclays operating at its best, with empathy, skill and drive. Unfortunately, in 2022, we also discovered that we had issued approximately \$17.7bn of securities more than we were permitted to do under shelf registration statements we had filed with the US Securities and Exchange Commission (SEC). When the matter surfaced, we promptly reported it to our regulators, elected to make a rescission offer to eligible purchasers, and settled the related regulatory investigation by the SEC. The net cost to Barclays was £720m, including \$200m (£165m^a) in penalties paid to the SEC. We commissioned an internal review and an external one, led by experienced outside counsel.

Our shareholders and the management want Barclays to perform at a consistently very high level, day in and day out. Therefore, towards the end of 2022, we established a change programme, alongside our Purpose, Values and Mindset, to set such a standard of consistent excellence. We are holding ourselves to that high standard across:

- Service: accepting nothing less than world-class service for clients and customers
- Precision: our operations, risk management and controls should run efficiently with no unacceptable disruptions or unanticipated losses
- Focus: we pursue projects and businesses where we can be consistently excellent, and do not dilute our energy or focus with activity where we will not



Our strong support of wholesale clients and consumers this year has shown Barclays operating at its best, with empathy, skill and drive.

- Simplicity: we strive for simplicity and efficiency in product design and delivery, seeking out opportunity for automation
- Diversity of thought: we champion new thinking, and challenge the status quo, to help us achieve excellence.

Only by achieving these objectives to the fullest will we create leading franchises and leave a strong legacy for the future.

Supporting the UK

The United Kingdom has been our home for 330 years. Here we have helped the nation prosper, and here we have prospered.

Serving the UK has been a central tenet of our history, from 1690, when our Quaker founders financed maritime trade from Lombard Street in London, to 2022, when, in the throes of a sell off in UK assets, we led the issuance of £4.5bn of Green Gilts for the Treasury.

Core to our own success has been the institutional strength of the UK: the rule of law, the fairness and transparency of our regulators, an availability of superb financial talent and infrastructure and a disciplined business culture. The health of the financial sector in the UK depends on the overall health of the UK and vice-versa, given the importance of finance to the UK.

As I described above in relation to the transition to a low-carbon economy, the combination of government and capital markets skilfully applied is a strong lever to achieve powerful and far-reaching goals. We are ambitious to help with forming and executing an agenda for progress in the UK. We recognise that public spending is constrained and essential services like education, health and social care are a priority for the UK Government. We also recognise that capital markets are complex and, given a chequered history in the deployment of private capital for public good, we are still rebuilding public trust in financial services.

We see clear opportunity for financial services to contribute new approaches to address complex issues including energy independence and efficiency, housing and economic growth, where the scale would be challenging for public finance alone. With Brexit behind us, the UK has an opportunity to shape the UK financial services sector best to support that work. We will use our data and our expertise in markets, sectors and our clients to advance ideas, build common cause with others and ultimately be good stewards for our Company and for our country.

Thank you

We have achieved a great deal this year, progressing our objectives and supporting customers and clients. None of this would be possible without the skill and dedication of our colleagues across Barclays. I am grateful to every one of them for their hard work and commitment to our Purpose.



C. S. Venkatakrishnan
Group Chief Executive, Barclays



See our strategy

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See our approach to managing risk

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See how we act in our society and environment

Page 39

Go online at

home.barclays/annualreport

Note:

^a Exchange rate USD/GBP 1.22 as at 30 June 2022.

Our business model

Designed to create synergies

Our universal banking model enables us to create synergies, across the organisation and deliver long-term value for our stakeholders.

We deploy our resources ...

We draw on tangible and intangible assets to drive long-term, sustainable value creation.



Our people, Purpose, Values and Mindset

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



Technology and infrastructure

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



Our brand

Our brand equity instils trust, lowers the cost of acquiring customers and clients and helps retain them for longer.



Operations and governance

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

to serve the financial needs of our diversified customer base...

Due to our wide range of products and services across markets, we define ourselves as a 'universal bank'.

Moving

We facilitate transactions and move money around the world.

Protecting

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

Lending

We lend to customers and clients to support their needs.

Investing and advising

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

Connecting

We connect companies seeking funding with the financial markets.

Our business model (continued)

delivering value through synergies ...

We bring our organisation together to create synergies and deliver greater value.

Providing customers and clients with the full range of our products and services.

Joining up different parts of the Group so capabilities in one can benefit another.

Applying Group-wide technology platforms to deliver better products and services.

Making the Group more efficient.

providing clear outcomes for our stakeholders.

Our diversified model provides the resilience and consistency needed for the road ahead.

Customers and clients

Supporting our customers and clients to achieve their goals with our products and services.

Society

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

Colleagues

Helping our colleagues across the world develop as professionals.

Investors

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

Our strategy

Sustaining and growing in challenging times

Our strategy enables us to sustain and grow through different market conditions and evolving trends

Our Purpose informs our strategy

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 diversification, built to deliver double-digit returns

Our diversification means we are resilient through economic cycles and can deliver double-digit returns.

- A large-scale retail and business bank in the UK.
- An international bank containing:
 - a top tier global corporate and investment bank
 - a broad international consumer lending, cards and payments franchise.

Strategic priorities to sustain and grow



Deliver next-generation, digitised consumer financial services



Deliver sustainable growth in the CIB



Capture opportunities as we transition to a low-carbon economy

Our strategy (continued)



Deliver next-generation, digitised consumer financial services

As technology transforms consumer financial services, we are building and delivering enhanced products and services for our customers, leveraging our payments interconnection and improving our efficiency.

Our objectives

- Investing in digital capabilities to improve service for customers and unlock new sources of income:
 - accelerating digital access and adoption, while not leaving customers behind
 - building cost-effective infrastructure
 - using the quality and scale of our data to better understand customer needs, anticipate trends and deliver more competitive products and services
- Realising value from investment in Payments across the Group, delivering additional income streams
- Expanding unsecured lending through partnerships
- Creating a competitive Wealth franchise to efficiently service customers' evolving needs

Strategic context

Technology is transforming the way consumers access products and services. We are adapting to anticipate and meet those needs, and find effective means of ensuring non-digital customers can still access our services.

Progress

We continue to invest in our digital capabilities, upgrading our systems, moving to cloud technology and implementing automation of manual processes. This is allowing us to deliver a more personalised digital journey, reduce cost and create additional capacity to support more of our customers.

We are introducing digital tools to the Barclays app to provide new products for our customers, improve the overall experience and enable individuals to manage their finances better. For example, mortgage customers can manage their mortgages seamlessly through the app, including switching onto a new rate up to 180 days before their current rate expires. This year, our active mobile customers have grown to 10.5 million and we hit a record of 15.4 million logins in a single day – demonstrating the impact of going digital-first.

In our US consumer business, we completed the acquisition of the Gap cards portfolio, doubling our customer base in the US.

We continue to adapt our service model by building out Barclays Local – an alternative branch presence for those who need in-person support. Our new Cashback Without Purchase programme was launched to give customers the ability to withdraw cash for free via thousands of small businesses across the country, supporting those communities without a branch or cashpoint.

Evolution in 2023 and beyond

We are working to develop a seamless, digital customer journey that provides access to a full range of unsecured lending solutions and the ability to switch between different credit products – expanding beyond cards into merchant integrated point-of-sale lending and open market loans.

59.8

US Consumer Bank Digital tNPS
2022 Target: 55

The new Digital tNPS metric provides us with feedback on customer experience, and can be measured at the digital journey level.

76%

% of UK customer journeys digitally enabled
2021: 72%

As customers needs change with evolving technology, we are adapting to facilitate customer journeys digitally.

Barclays Local

In areas where demand has fallen and the bank branch is no longer sustainable, we are testing alternative solutions to remain part of the community and to support customers who require face-to-face assistance.

Barclays has now launched almost 200 flexible banking pop-ups, enabling colleagues to reach customers in places such as town halls, libraries and community centres.

We also have a growing Barclays mobile van network which can be deployed wherever support is most needed, including rural and remote locations. These spaces help customers with cashless banking needs including digital transactions and bill payments. We also host workshops on topics such as digital skills, money management and fraud and scams prevention.



Our strategy (continued)



Deliver sustainable growth in the CIB

As the capital markets grow, we will seek to maintain our market position as a top six global investment bank while investing in new capabilities to serve our clients.

Our objectives

- Building consistent strength in Investment Banking, expanding in high-growth sectors and deepening our M&A capabilities
- Consistently investing in our Global Markets business with particular priority given to digital investment to ensure we are an electronic-first markets business
- Capturing greater client flow in Equities and balances in Prime Financing while growing our share in Securitised Products and Macro Rates, FX and EM
- Broadening Corporate Banking product capabilities, particularly in Europe and US
- Optimising our global footprint by expanding the CIB internationally where we have an attractive opportunity

Strategic context

A strong presence in the capital markets is important as this remains core to our clients' needs.

Trading and investment banking income is subject to market volatility, and banks have sought to diversify CIB revenues to increase the predictability of earnings.

Our success will be judged on our absolute performance, as well as how we perform in terms of Investment Banking fee wallet share and Global Markets revenue relative to our competitors, which are industry standard markers for CIB performance.

Global service that delivers

Colleagues across the globe have enabled leading French bank La Banque Postale to expand its services to customers by taking full control of CNP Assurances, the leading French life insurer, which was previously listed on the Paris Stock Exchange.

Barclays won the mandate to lead the acquisition for La Banque Postale, with colleagues in Investment Banking, Corporate Banking and Principal Investments working together seamlessly to deliver a complex transaction for the client.

The transaction is one of the most significant insurance deals in the French market for over 15 years, the first guarantee issued by Barclays in France for an M&A mandate, and an example of the power of collaboration to deliver great client outcomes.

Progress

In 2022, we maintained our overall ranking of sixth globally across Investment Banking^a and Global Markets^b, narrowing the gap to fifth. We increased the diversity and predictability of our income, growing our financing business in Global Markets, including in Prime. We further integrated our Corporate Banking services to global and UK multinationals with our Investment Banking business, focusing on growing our Transaction Banking share across our core CIB markets.

We actively recruited to strengthen our teams and in November, we opened new state-of-the-art trading floors in our London headquarters, bringing all CIB colleagues in London into one location to further enhance collaboration and client service.

Evolution in 2023 and beyond

We will continue to invest in Investment Banking high-growth sectors and in our digital initiatives in Global Markets. We will also seek to further build our Corporate Banking business in the US and Europe – a key source of stable, high-returning income.



700+
Growth in Corporate
Banking clients in Europe
2021: c.600

£2.9bn
Total Financing income^c
2021: £2.2bn

Notes:

- Dealogic Investment Banking global fee ranking and share demonstrating our performance vs peers, for the period covering 1 January 2020 to 31 December 2022.
- Global Markets market share and rank for Barclays is based on our share of Top 10 banks reported revenues. Peer banks include BoA, BNP, CITI, CS, DB, GS, JPM, MS and UBS.
- Global Markets Financing includes income related to client financing in both FICC and Equities. In FICC this includes fixed income securities repurchase agreements, structured credit, warehouse and asset backed lending. In Equities this includes prime brokerage margin lending, securities lending, quantitative prime services, futures clearing and settlement, synthetic financing, and equity structured financing. All other items are considered intermediation.

Our strategy (continued)



Capture opportunities as we transition to a low-carbon economy

We want to work alongside customers and clients as they transition to a low-carbon economy, using our advisory and financial expertise to help them navigate this period of extraordinary change.

Our objectives

- Using our financial and capital markets expertise to support the scale-up of low-carbon technologies, infrastructure and capacity
- Supporting clients to decarbonise by providing financial advice and finance, including supporting the transition towards a low-carbon economy
- Continuing to develop green and sustainable banking products, including green mortgages, bonds, loans and investment funds eligible under our updated Barclays' Sustainable Finance Framework
- Investing in sustainability-focused start-ups with growth potential
- Continuing to make progress to achieve our ambition to become a net zero bank by 2050, including aligning all of our financing to the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C
- Continuing to reinforce our social and environmental policies through our governance

Strategic context

The scale of the investment needed for a timely transition is significant. The final decision text from COP27 stated that \$4trn^a per year needs to be invested in renewables to be able to reach net zero emissions by 2050 and furthermore, a global transformation to a low-carbon economy is expected to require investments of between \$4-6trn^a per year. We are determined to capture these opportunities by supporting our customers and clients in their transition.

Progress

As defined by our Sustainable Finance Framework, in 2022 we facilitated £25.5bn^Δ of green financing, reflecting our ability to capture the opportunities from the transition. After a strategic review of our capabilities, market demand and growth opportunities, in December we announced a new target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030.

In addition, we also announced that we will be increasing our investment into global climate-tech start-ups through our Sustainable Impact Capital portfolio to £500m by the end of 2027.

As noted in last year's Annual Report, we strengthened our risk and control governance, recognising climate as a Principal Risk.

Evolution in 2023 and beyond

Aligned to our new \$1trn target, we will continue to invest in our business, with the aim of creating a centre of excellence for sustainable finance within the CIB, delivering a fuller suite of products, solutions, and expertise to clients as they navigate the transition towards a low-carbon economy.

In the next phase of our Sustainable Impact Capital investments we expect will see an enhanced focus on decarbonisation technologies which are enabling the transition within carbon-intensive sectors, particularly carbon capture and hydrogen technologies.

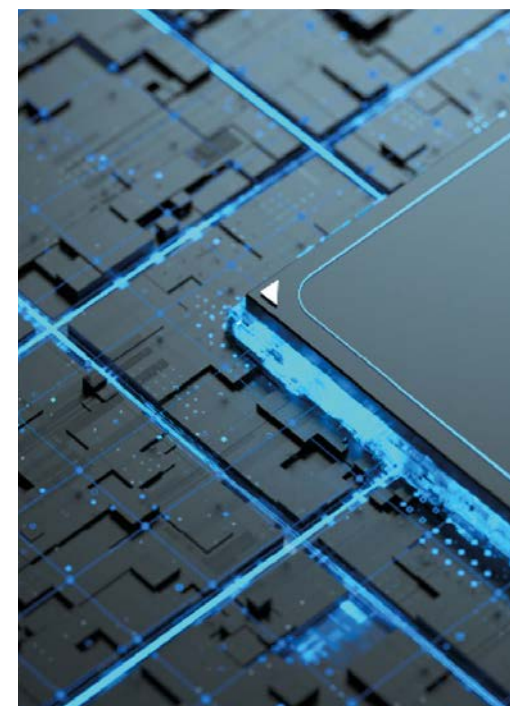
Powering Portland General Electric's future with innovative green financing

Bringing together experts from its Power & Utilities, Equity Capital Markets and Sustainable Capital Markets teams in October 2022, Barclays structured a Green Use of Proceeds equity offering for Portland General Electric, which saw the issuance of 11.615m shares of common stock.

This novel structure gives investors publicly tradable common shares, whose proceeds are earmarked for investment toward the issuer's decarbonisation goals.

Investor reaction was strong for the nearly \$500m offering, which was oversubscribed and priced at a tight discount relative to the size of the deal.

The proceeds of this offering are designated to the construction of a 311 MW wind energy facility, as well as additional renewable and battery storage projects.



£89m

invested through our Sustainable Impact Capital Programme

£2.6bn

Green home mortgages issued since 2018

Barclays was one of the first major lenders to launch a Green Mortgage in 2018 and in January 2022, we announced the launch of Green Home Buy-to-let Mortgages

Green financing facilitated (2018-2030) £bn



■ Progress from 2018 to 2021 ■ 2022 progress
■ Total achieved to date ■ Against a target of £100bn by 2030

Notes:

- a \$4-6trn as referenced at COP27 at unfccc.int/documents/624444 as well as the United Nations Environment Programme - Emissions Gap Report 2022 at unep.org/resources/emissions-gap-report-2022.
- Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Section 172(1) statement

How the Board has regard to the views of 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 provide this statement setting out how they have had regard to the matters set out in Section 172(1)(a) – (f) of the Companies Act 2006 when performing their duty to promote the success of the Company under Section 172.

+ For further details of the key activities of the Board in 2022, refer to page 154 of our Governance report in Part 3 of the Annual Report.

How does the Board engage with stakeholders?

Throughout the year, the Board engages directly and indirectly with stakeholders to ensure it has a comprehensive understanding of the impact of the Group's operations on key stakeholders, as well as their interests and views. This engagement, both directly and through regular reports from individual business areas and key Group functions ensures the Board is well-versed on key issues to enable the Directors to comply with their legal duty under Section 172(1).

+ Read more on how Barclays engages with its stakeholders on pages 21 to 22.

Engagement in action

See pages 17 to 20 below to find out about 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:



Section 172(1) statement (continued)



**The Board's
response to the
Over-issuance
of Securities
by BBPLC**

The Board has worked alongside management this year to assess and respond to the Over-issuance of Securities.

The Group operates a structured products business in BBPLC, through which it issues structured notes and exchange traded notes to customers in the US and elsewhere. In March 2022, management became aware that BBPLC had issued securities materially in excess of the amount registered under BBPLC's shelf registration statement on Form F-3, as declared effective by the SEC in August 2019 (2019 F-3). Subsequently, management also became aware of issuances in excess of the amount registered under BBPLC's prior shelf registration statement (the Predecessor Shelf).

Due to an SEC settlement order in 2017, at the time the 2019 F-3 was filed and the Predecessor Shelf was amended, BBPLC had ceased to be a 'well known seasoned issuer' (or WKSI) and was required to register upfront a fixed amount of securities with the SEC.

When management became aware of the Over-issuance of Securities, the matter was escalated to senior management and to the Board, and Barclays' regulators in the US and the UK were notified. As part of its response, the Board considered both the immediate impact of the Over-issuance of Securities, and the underlying causes of this issue.

The securities issued in excess of the registered amounts were considered to be 'unregistered securities' for the purposes of US securities law and certain offers and sales of these securities were not made in compliance with the US Securities Act of 1933, which requires that offers and sales of securities be registered unless there is an exemption from registration. This gave rise to rights of rescission for certain purchasers of relevant securities under US securities laws. As a result, BBPLC elected to conduct a rescission offer, as approved by the Board, to eligible purchasers of relevant securities.

Barclays also commissioned a review led by external counsel of the facts and circumstances relating to the Over-issuance of Securities and, among other matters, the control environment related to such issuances (the Review). The Board then considered carefully the outcome of the Review which concluded that the Over-issuance of Securities occurred because Barclays did not put in place a mechanism to track issuances after BBPLC became subject to a limit on such issuances, as a result of losing WKSI status.



The Board has supported the creation of a Group-wide programme, seeking to identify issues and lessons learned.

Among the principal causes of the Over-issuance of Securities were, first, the failure to identify and escalate to senior executives the consequences of the loss of WKSI status and, secondly, a decentralised ownership structure for securities issuances.

The Review further concluded that the occurrence of the Over-issuance of Securities was not the result of a general lack of attention to controls by Barclays, and that Barclays' management has consistently emphasised the importance of maintaining effective controls. The Board has worked to address the root cause and impacts of the Over-issuance of Securities, including through the Review, and deeply regrets its occurrence.

The Over-issuance of Securities also underlined to the Board the need to continue to focus on embedding Barclays' Values and Mindset at all levels of the organisation to achieve operational and controls excellence.

Further, the Board has supported the creation of a Group-wide programme, established by the Group Chief Executive. This programme will seek to identify issues and lessons learned across the Group's remediation initiatives to help ensure that Barclays is consistently excellent, in customer and client service, in operational capability and in financial performance, with all activities underpinned by a strong risk management culture.



Read more about the work of the Board and its Committees in Part 3 of the Annual Report

Page 141

Find details of the impact of the Over-issuance of Securities on remuneration in Part 3 of the Annual Report

Page 197

Read our Shareholder Q&A on the Over-issuance of Securities in Part 3 of the Annual Report

Page 188

Section 172(1) statement (continued)



Supporting our customers, clients, colleagues and communities through challenging times

The Board is acutely aware of how current inflationary pressures are impacting our customers' and clients' financial wellbeing, and that a 'one size fits all' approach is not appropriate. The impact of high inflation and increasing interest rates, coupled with rising energy costs are creating financial pressures across wider society. The Board recognises that customers and clients have different needs, and throughout the year received regular reports on the work undertaken across the Group to support each of them. In September, the Board met directly with a delegation of FCA senior management where, among other matters, the Group's response to the increased cost of living and the pressure this has placed on our customer base was discussed.

Throughout 2022, the Board Risk Committee maintained close oversight of the Group's ongoing review of the retail and business banking portfolios to identify areas of stress where customers and clients might be facing financial pressures. The Committee also considered the actions taken to provide support, balancing our duty to lend responsibly alongside the need to support customers and clients who might be struggling in this current challenging environment, particularly those who are characterised as vulnerable. During 2022, the Board has also received updates and discussed with management the measures being taken across the Group to support our stakeholders, some examples of which are described below.

For those customers who are already facing financial hardship, we have increased resource within our Barclays Financial Assistance (BFA) team, which provides a range of support to customers, including referrals to debt support charities, and targeted forbearance. For customers who may start to struggle, we are proactively monitoring their financial resilience in order to identify when and where targeted support might be required (including contacting c.200,000 customers each month to offer pre-emptive support before they miss a payment).

Recognising the pressures faced by our customers, in August we expanded our Money Management and Money Worries hubs to include a Cost of Living focus, with improved navigation to help direct customers to relevant content, to guide and help them better understand and manage the impact of rising inflation and interest rates on their personal finances.

In November we expanded our engagement, launching a nationwide campaign and sending 13.5 million segmented emails to our customer base, directing them to our cost of living content.

With specific reference to our Business Banking clients, many of whom are also facing financial pressures, not least from increased operating costs and rising wages, we have delivered over 600 'Business Health Pledge Masterclasses', talking to small businesses about the issues impacting them.

In response to unusually large increases to living costs experienced by our UK colleagues, we brought forward part of the 2023 pay increase, awarding 35,000 UK-based junior colleagues a £1,200 salary increase effective from August 2022, ahead of our annual salary review. In January 2023, Barclays worked closely with Unite the Union to agree a 2023 UK pay deal which, combined with the August 2022 increases, brought the total average salary increase for our lowest paid colleagues up to 11%. By doing this we ensured that our minimum rate of pay in the UK remains well ahead of Living Wage Foundation benchmarks.

Similarly, we brought forward part of the 2023 pay increase for our most junior colleagues in Belgium, France, Ireland, Italy, Luxembourg, Netherlands, Portugal and Spain, awarding them €1,500 effective 1 November 2022.

In November, we also awarded junior colleagues in Germany a one-off payment of €2,000 as that was more appropriate under local rules.

The Board, through the Board Remuneration Committee, continued to have regard to the impact of the current macroeconomic environment as it reviewed pay across the organisation during the year-end cycle. More information can be found in the Remuneration report within the Annual Report and the Barclays PLC Fair Pay Report 2022.

In monitoring our response to the increased cost of living, we are working with a wide range of stakeholders – including the FCA, the UK Government and our peers – to ensure our customers and clients are supported during these difficult times. This includes consistent, industry-wide communications, where appropriate, so that all customers and clients, irrespective of who they bank with, can know what to expect from their financial services provider.

We also remain committed to supporting the financial health and literacy of our communities. Our LifeSkills programme is at the heart of this work and this year we have evolved the programme, partnering with organisations like the Trussell Trust which work with local communities to help those most in need, building awareness of the help available to people facing financial difficulties, increasing access to the support they are entitled to and helping them maximise their incomes.

The Board will keep the overarching situation under close review in order to ensure that Barclays continues to play its role in supporting our customers, clients, colleagues and our communities through these challenging times.

Section 172(1) statement (continued)



The Board takes Barclays' role in supporting the transition to a low-carbon economy very seriously. This commitment was reflected in Barclays' announcement, at the 2021 AGM, that it would offer shareholders a 'Say on Climate' advisory vote, whereby shareholders would be asked to vote on Barclays' climate strategy at the 2022 AGM. This vote would serve as a touchstone for Barclays as to whether the climate strategy set by the Board had the support of shareholders.

Throughout 2021 and continuing into 2022, Barclays engaged with major shareholders, their representative bodies, connected activist groups and other stakeholders on a one-to-one and group basis, with our Group Chairman attending a number of these meetings. This included engagements with 15 of our largest shareholders, the Investor Forum, the Institutional Investors Group on Climate Change and ShareAction.

Stakeholder feedback was received on a range of matters including:

- the evolution of Barclays' fossil fuel policies, in particular the phase out of thermal coal financing;
- Barclays' oil sands policy;
- our 2030 target-setting, including the integration of 1.5°C aligned scenarios such as the IEA Net Zero 2050 scenario in our financed emission targets and the use of ranges for certain sectors;
- incorporation of other greenhouse gases including methane in our BlueTrack™ methodology;
- green and sustainable financing targets and insight into how Barclays' climate strategy is embedded into operational practices including client engagement.

Stakeholders also asked about the impact of the conflict in Ukraine within the context of just transition, and in relation to our approach to energy security. The Board received a series of updates on the feedback which followed the engagement with investors and stakeholders more broadly.

In February 2022, the Board reviewed a report on the 2021 progress against Barclays' climate commitments and was asked to endorse a number of proposals:

- revisions to Barclays' thermal coal policy (including setting final exit dates with respect to the financing of thermal coal mining and coal-fired power generation);

- proposed 2030 emissions intensity reduction target ranges for Cement, Steel and Power, and absolute emissions reduction targets for Energy; and
- new operational emissions ambition and updated operational targets, further details of which were to be included in the Barclays' Climate Strategy, Targets and Progress 2022 document, which would form the basis of the Say on Climate advisory vote.

The Board noted the varying feedback received from investors and other stakeholders regarding the purpose and frequency of the Say on Climate vote. Acknowledging that it is ultimately the responsibility of the Board and executive management to set the strategy of the Barclays Group, including climate strategy, it was the Board's view, announced at the 2021 AGM, that the vote should be advisory only in nature.

At the 2022 AGM, our Chairman spoke directly with a number of our shareholders on a series of questions posed by them covering topics such as Barclays' climate strategy, targets and progress, green and sustainable financing, Barclays' involvement with and views on climate change, fossil fuels, fracking, deforestation, renewable/sustainable energy and our ambition to be a net zero bank by 2050.

The Say on Climate resolution received the support of over 80% of votes cast. The Board acknowledged the spectrum of views across the share register, but was pleased that the resolution was supported by such a strong majority of votes cast.



The industrial revolution took over a century to transform the planet, and we cannot hope to undo overnight its deleterious impact on the environment. We are still at an early stage of an important journey but are committed to the destination and will persevere to reach it. One of my foremost priorities in view of market and risk factors is for Barclays to demonstrate progress against our net zero ambition.

C.S. Venkatakrisnan
Group Chief Executive

Section 172(1) statement (continued)

The Board viewed the Say on Climate advisory vote as an important part of its ongoing engagement with shareholders and Barclays has continued to engage with shareholders and other stakeholders on our climate strategy and ambitions following the 2022 AGM.

Since the AGM, in September 2022, the Board reviewed a further proposal to strengthen the thermal coal policy and endorsed the proposal to update the US thermal coal power phase-out date from 2035 to 2030 and the Board has also reviewed a change to the oil sands policy and new green and sustainable finance targets. The Board continues to receive updates on the evolution of our climate strategy and progress against targets.

In line with our commitment in the Barclays' *Climate Strategy, Targets and Progress 2022* document to provide further updates on targets for sustainable financing in 2022, the Board was also updated on Barclays' new target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030.

[+ More on climate strategy](#)
Page 15.



The Board has closely overseen the Group's response to the Russian invasion of Ukraine. The impacts of the war are numerous and widespread, with implications for Barclays, its clients and customers and other stakeholders. Recognising the urgency of situation, the Group Chairman convened a Board meeting in mid-March 2022 to assess developments and the Group's response. Since then, the Board and its Committees have received ongoing updates.

Notwithstanding that Barclays has no onshore presence in Ukraine or in Russia, this situation has required a multi-faceted response by Barclays, with the Board and its Committees overseeing a number of matters including the Group's response to the rapidly imposed global sanctions, the management of the Group's financial exposure to Russia-specific market, credit and liquidity risks and management actions taken to reduce the Group's exposure to the heightened risk of cyber attack.

The sanctions imposed represent the most significant change to the global sanctions regime since the 9/11 terrorist attack in the US, requiring the Group to act at pace. The Board received reports on the significant work done by colleagues in the compliance and legal functions, along with other areas of the business, to ensure that Barclays was able to take swift action to respond to these sanctions. The response was aimed at reducing the potential for financial crime, directing substantial resources into the management of potential conflicts between sanctions regimes as new sanctions were rolled out across different jurisdictions, obtaining required licences and playing a strategic role on policy developments and sanctions implementation.

With regard to the management of risk associated with the Russian invasion of Ukraine, the Board received updates on operational risk, credit risk and market risk exposures and on actions taken to reduce these, manage funds and de-risk positions effectively.

Across the financial services sector, cyber risk remains heightened. The Board and its Committees have heard from management on the measures implemented to address these concerns to ensure that Barclays is, and will remain, well placed to react in the event of any such attack, which could target Barclays directly or the wider financial services infrastructure.

The Board Risk Committee has also received a briefing on the operational and risk learnings from the Group's response to this situation in order that the Group is best placed to respond should conflict arise in another jurisdiction requiring similar actions to be taken.

The Board and senior management will continue to monitor the situation and its implications for the Group and our stakeholders.



The impacts of the war are numerous and widespread, with implications for Barclays, its clients and customers and other stakeholders.

Engaging with our stakeholders

Listening and responding to our stakeholders

Barclays aims to create sustainable value for all those we serve, through the economic cycle.

Customers and clients



We are committed to serving our customers' and clients' best interests, and engage with them regularly so we can understand how best to adapt our products and services to their evolving needs.

What did they tell us?

We engage 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.

- As customers face a rising interest rate environment and inflationary cost pressures, they have asked for more support and advice on their finances
- Customers are looking for full integration of services to ensure seamless digital transactions
- Clients are asking for advice and finance in support of their efforts to decarbonise their operations.

How we responded

For customers, we have developed the Barclays Money Management Hub, containing advice on how to better understand their spending behaviours and improve their financial wellbeing.

We continued to develop both our personal and corporate apps, to provide our customers and clients with the tools required to effectively manage their finances and transactions. The newly launched Barclays Corporate app is now available in 150+ countries.

We are developing a Client Transition Framework, a methodology that allows us to evaluate our corporate clients' current and expected future progress in transitioning to a low-carbon economy. The framework comprises both a quantitative and qualitative component to assess clients' trajectory against our targets and benchmarks, and the ambition and achievability of their plans, allowing us to engage with them at a more granular level for their transition financing needs.

150+

countries covered by our Corporate app

Colleagues



Our people and culture are our greatest assets. Together, they make a critical difference to our success, and our investment in our colleagues strengthens and protects our culture.

What did they tell us?

We have an established colleague engagement programme across a number of platforms. These provide us with a robust body of information and ensure we are attuned and listening to the different perspectives, and responding accordingly to colleague feedback. Further detail can be found on page 32.

- Our colleagues told us that with rising costs, they needed financial support
- As colleagues embraced hybrid working, they required the right tools to undertake their roles
- Our colleagues wanted support to be able to develop their own careers

How we responded

The 2022 Your View survey results showed progress on colleague engagement as well as against the primary cultural topics we measure.

- We brought forward part of the 2023 pay increase, awarding 35,000 UK-based junior colleagues a £1,200 salary increase effective from August 2022, ahead of our annual salary review
- During 2022, we made enhancements to drive further global consistency in how we support our colleagues with disabilities and health conditions, providing them with greater control over their own individual requirements, as well as improving the processes to self-serve and get the right equipment they need for office and/or home working
- We supported colleagues with their next career move within Barclays, with 43% of vacancies being filled by internal candidates, helping to retain our diverse and inclusive workforce and mitigate redundancies

90%

of colleagues believe their line manager supports their wellbeing

Engaging with our stakeholders (continued)

Society



Deep and thoughtful engagement with the numerous individuals and interest groups that represent our wider society help us to shape our approach and ultimately deliver long-term sustainable value.

What did they tell us?

We engaged with a wide range of stakeholders, including non-governmental organisations (NGOs) and others where appropriate. We participated in various sustainability forums including global and regional industry initiatives.

Major themes we heard from them included:

- wanting to see continued progress, targets and development of the global climate agenda, including appropriate social and environmental governance
- support for communities facing hardship
- an increased focus on nature and biodiversity
- transparency and harmonisation of data

How we responded

We engaged with stakeholders at our 2022 AGM, through our 'Say on Climate' advisory vote and attended COP15 on biodiversity as well as COP27 on climate change. We engaged with NGOs, such as ShareAction, by participating in their recent survey on key climate and biodiversity metrics.

We spoke to our suppliers and promoted the importance of diversity, equity and inclusion, as well as the importance of our focus on modern slavery across our supply chain.

In support of the communities in which we operate, through our LifeSkills programme we have reached 18.1 million[△] people since 2013. Through our Unreasonable Impact programme, since 2016 we have supported 269 ventures that are helping to deliver innovative solutions to pressing social and environmental challenges.

Notes

[△] 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

\$1 trillion
target announced in December 2022 to facilitate Sustainable and Transition Financing by the end of 2030

Investors



Engaging with our shareholders and other market participants has helped us to understand their priorities and drive better outcomes for all stakeholders.

What did they tell us?

We continue to enjoy productive bilateral engagement with institutional equity and fixed income investors, rating agencies, as well as our private shareholders. We were able to further our efforts in hybrid meetings, enabling deeper engagement with investors irrespective of their individual location. In 2022, the focus of our dialogue has been:

- the factors driving current performance and expectation of further momentum from changes in the macro economic environment
- capital return to shareholders
- continued engagement and progress on the climate agenda
- the need for clearer, transparent messaging on business performance

How we responded

- We provided further detail on our Markets performance, more granular transactional activity and additional insights into interest rate sensitivity
- We delivered on our priority to return capital to shareholders, with an appropriate mix of returns amounting to a total capital return equivalent to c.13.4p per share
- We listened to feedback on our Say on Climate advisory vote at the 2022 AGM as well as other factors, published new a \$1trn Sustainable and Transition Financing target, and are announcing in this report an updated policy on coal-fired power financing
- Investor Relations helped establish ESG engagement with investors, which contributed to key investment decisions
- We continued to enhance transparency in our external disclosures
- Our efforts were recognised through Barclays winning the PwC award for Building Public Trust, and the Investor Relations team being shortlisted for best IR team at the IR Society awards

c.13.4p
Total capital return equivalent per share

Key performance indicators

Measuring success for all stakeholders

We analyse a broad range of financial and non-financial measures to support the execution of our strategy.

We use a number of sources to assess the success of our strategy and provide a balanced review of our performance during the year, taking into consideration financial and non-financial metrics across all stakeholder groups.

A number of these performance measures are also linked to the way we pay our colleagues, including at executive management level. For more information, please see the Directors' Remuneration Report in Part 3 of the Annual Report.

In order to reflect our strategic priorities, we have further refined the performance metrics we use, most notably with respect to our societal stakeholders.

Key measures used in our 2022 assessment include the metrics reported on this page, as well as the broader discussion of our performance on the subsequent pages of this report.

Customers and client

We aim to build trust by offering innovative products and services, with an excellent customer and client experience, increasing advocacy.

+ Customers and clients
Page 26



Colleagues

We strive to manage the environmental and societal impact of our business, helping stakeholders access a prosperous and sustainable future.

+ Colleagues
Page 31



Society

Our ambition is to generate attractive and sustainable returns through the economic cycle, measured through our Group targets.

+ Society
Page 39



Investors

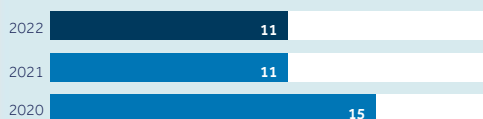
We promote and maintain a diverse and inclusive workforce within a positive, values-based culture.

+ Investors
Page 45



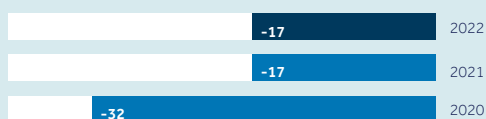
Key performance indicators (continued)

Customers and clients

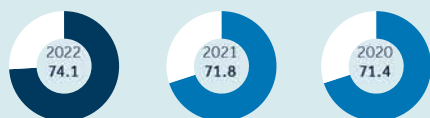
Barclays UK Net Promoter Score (NPS)^a

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

Barclays UK complaints excluding PPI (% movement year on year)

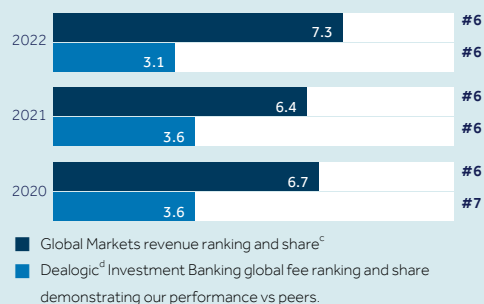


We measure our volume of complaints and review root causes to inform what changes we should make to our products and services to improve them for customers.

Consumer, Cards and Payments US customer digital engagement (%)^b

Metric shows percentage of digitally active Consumer, Cards and Payments US consumers.

Corporate and Investment Bank revenue ranks and market shares (#, %)



■ Global Markets revenue ranking and share^c
■ Dealogic^d Investment Banking global fee ranking and share demonstrating our performance vs peers.

Notes

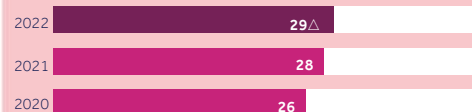
- a @Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.
b Excluding new Gap customers.
c Global Markets market share for Barclays is based on our share of Top 10 banks reported revenues. Peer banks include BoA, BNP, CITI, CS, DB, GS, JPM, MS and UBS.
d Dealogic for the period covering 1 January 2020 to 31 December 2022.

Colleagues

Colleague engagement^a (%)

This is a measure derived from responses to three colleague engagement questions in the Your View survey.

Females at Managing Director and Director level (%)



Metric reflects % of females at Managing Director and Director level within Barclays, against 2025 ambition of 33%.

"I would recommend Barclays to people I know as a great place to work"^b (%)

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

"I believe that my team and I do a good job of role modelling the Values every day"^c (%)

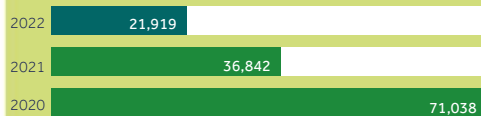
A question from the Your View employee survey showing colleagues' connection to the Barclays Values which underpin the desired culture.

Notes:

- a As part of our efforts to improve our measurement frameworks, we have transitioned to a new three question engagement model. This was after collecting four years of concurrent data and running analysis to affirm the new model's validity. Historic figures have been updated to reflect results from the new three question model.
b KPI adjusted in line with new engagement model. The previous KPI "I would recommend Barclays as a good place to work" would have been 86% (2021: 83%).
Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Key performance indicators (continued)

Society

Operational GHG emissions (market-based)
(tonnes CO₂e)

Notes:

Total gross Scope 1 and 2 (market-based) emissions generated from Barclays' branches, offices and data centres, including all indirect emissions from electricity consumption.

LifeSkills: Number of people upskilled
(millions)

Achieved the target to upskill 10 million people between 2018 and 2022.

Notes:

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

LifeSkills: Number of people placed into work

77,200^Δ

2021: 77,100

2020: 49,700

Achieved the target to place 250,000 people into work between 2019 and 2022.

Notes:

Number of people placed into work following training provided by Barclays LifeSkills partner organisations.

^Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub - for further details: home.barclays.com/sustainability/esg-resource-hub/reporting-and-disclosures/

Social, environmental and sustainability-linked financing facilitated (€bn)



Notes:

Financing in social and environmental segments aligned to Version 3 of Barclays' Sustainable Finance Framework. Version 4 was released in December 2022 upon announcing new sustainable financing targets.

Our current estimate of our financed emissions based on our disclosed BlueTrack™ methodology

Portfolio	December 2022	Cumulative performance vs. baseline
Energy	51.7 ^Δ MtCO ₂ e (Absolute emissions)	-32%
Power	302 ^Δ KgCO ₂ e / MWh (Physical intensity)	-9%
Cement	0.610 ^Δ tCO ₂ e / t (Physical intensity)	-2%
Metals (Steel)	1.732 ^Δ tCO ₂ e / t (Physical intensity)	-11%
Automotive manufacturing	167.2 ^Δ gCO ₂ e / km (Physical intensity)	N/A
Residential real estate	32.9 ^Δ kgCO ₂ e / m ² (Physical intensity)	N/A

Date baseline set:

- December 2020
- December 2021
- December 2022

Notes:

Energy and Power cumulative performance assessed against a 2020 baseline whereas Cement and Steel are against a 2021 baseline.

Further details on reducing our financed emissions can be found on page 87 including our approach to reporting financed emissions data.

Investors

Common Equity Tier 1 (CET1) ratio^a
(%)

The Group maintained a strong CET1 ratio of 13.9% in 2022, within the Group target range of 13-14%.

Group return on tangible equity (RoTE)^a
(%)

Group RoTE was 10.4% in 2022, down on prior year from the normalisation of credit impairment charges and higher litigation and conduct costs, partially offset by income growth across all operating divisions.

The Group targets a RoTE of greater than 10.0% in 2023 in line with our medium-term target.

Total operating expenses^a
(€bn)

Group operating expenses increased 14% to €16.7bn including €1.6bn of litigation and conduct charges^b. Excluding litigation and conduct charges, costs were €15.1bn, up 6%, reflecting the impact of FX and inflation.

Cost: income ratio^a
(%)

The Group is targeting a cost: income ratio percentage in the low 60s in 2023 and below 60% over the medium-term.

Notes

- a 2021 financial and capital metrics have been restated to reflect the impact of the Over-issuance of Securities. See Impact of the Over-issuance of Securities on page 356 and Restatement of financial statements (Note 1a) on page 428 for further details.
- b Litigation and conduct in 2022: €1.597m, which includes €966m related to the Over-issuance of Securities, 2021: €397m and 2020: €153m.

Customers and clients

Supporting our customers and clients

We seek to understand our customers' and clients' expectations and aspirations, and develop products and services which support them, especially during difficult economic conditions. We believe that transparency of information in our products and services is key to empowering consumers to make sound financial decisions.

Highlights

11

Barclays UK Net Promoter Score (NPS)*
2021: 11

44

Barclays US Consumer Bank Care Net Promoter Score
2021: 43.4^a

-17

Barclays UK complaints excluding PPI (% movement year on year)
2021: -17%

74.1%

Consumer, Cards and Payments US customer digital^b
2021: 71.8%

The importance of delivering value for our customers and clients

Customers and clients are at the heart of our business. For us to deliver value for them, we need to continue building confidence in our organisation, our products and services, understand and anticipate our customers and clients' needs, and use our expertise to become a trusted partner. In order to understand those needs and measure our progress towards delivering on them, we use a range of non-financial measures.

Net Promoter Score

Net Promoter Score® (NPS) is used widely across industries to measure the strength of customer relationships. We track NPS to identify both our strengths and where there is room for improvement. This, combined with our transactional NPS data, becomes a powerful tool to inform how we should develop our services and products in the future, and benchmark our performance against the rest of the market.

Barclays UK NPS

The Net Promoter Score (NPS) for Barclays UK was relatively stable throughout 2022 at +11. This reflects the returning capability to service our customers after previous declines during the pandemic. However, we recognise that we need to continue to push forward our initiatives to drive improvements in customer experience, including improving and expanding our digital journeys.

Barclays UK NPS (#)



Barclaycard NPS

Barclaycard NPS continued to trend upwards throughout 2022 to +12, in line with the market, as usage and availability of credit became more important to customers.

Barclaycard NPS (#)



US Consumer Bank Digital tNPS

The Digital tNPS is a newly tracked metric for US Consumer Bank which is measured at the digital journey level.

This is a recognised and respected industry measure of customer experience. Digital tNPS is trending positive, attributed to increased web and app ease of use.

US Consumer Bank Digital tNPS %



Notes

- a Care tNPS provides an accurate measure of customer sentiment across our Fraud, Dispute, Credit and Care channels and replaces the relationship NPS reported in 2021 Annual Report.
- b Excluding new Gap customers.

Customers and clients (continued)

Consumer, Cards and Payments US customer digital engagement

Digital engagement is used as a KPI to assess the performance of our digital value proposition and the quality of the user experience. We measure usage over a 90-day period, as a percentage of the total of active customers, to illustrate the interactivity with our platforms and uncover potential use cases for our online and app channels. This KPI reflects the general health of the digital experience, and allows us to look at how this is performing and what issues, if any, we should address.

We launched significant digital engagement features and technology advancements. Highlights included Gap ecommerce integration, asynchronous chat for servicing, card delivery tracking, payments journey enhancements, as well as ongoing human-centred UX improvements.

The addition of the Gap partnership initially decreased the overall digital engagement rate due to retail segment behaviour differences. Excluding Gap, the rate increased YoY to 74.1%.

Consumer, Cards and Payments US customer digital engagement^a (%)



Notes

^a Excluding new Gap customers

Complaints data

The FCA publishes complaints information in relation to reportable complaints across the UK financial industry every six months and it is a good measure of how well UK institutions are driving customer outcomes. We measure our volume of complaints, tracking against goals and reviewing root causes to inform what changes

we should make to our products and services to improve them for customers.

Through doing this, we hope to see improved customer satisfaction, improved reputation in the industry and reduced costs.

Barclays UK

In Barclays UK, as in previous years we continue to be focused on improving the overall customer experience by identifying and supporting the removal of the root causes of customer complaints. Complaints across Barclays UK in 2022 have further reduced on those received in 2021, with volumes excluding PPI complaints decreasing 17% YoY (18% including PPI). This is despite an 8% rise in interactions across our channels which therefore lowers the rate of complaints per 10k interactions annually by 24%.

This has been achieved through continued stability of our platforms alongside regular and direct communications with customers during times of change, particularly in relation to our service model. Some acute pressures exist in areas impacted by the economic changes seen in 2022 with volumes rising across Mortgage complaints as customers rushed to find the right rates for them in light of the Bank of England interest rate changes and unpredicted demand for Mortgages with rate switch applications up 30% in the second half of the year.

Barclays UK complaints excluding PPI (%)



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

+ Further details can be found at: home.barclays/citizenship/our-reporting-and-policy-positions/UK-complaints-data

Barclays Bank PLC (BBPLC)

BBPLC's reportable^a complaint volumes in 2022 increased 2% in comparison to 2021. This reflects the return to normality after the coronavirus pandemic which saw business closures/restrictions on non-essential business in 2021. Volumes of transactions and customer interactions increased in 2022 and whilst complaints saw a small increase, the complaints received per 1,000 accounts held reduced during 2022 from 6.8 to 6.1.

BBPLC remains focused on improving the overall customer experience by identifying and supporting the removal of the root causes of customer complaints where possible.

Barclays Bank PLC complaints (%)



Notes:

^a Reportable reflects the FCA's definition of a complaint which must be reported to the FCA on a half-yearly basis and published externally on the Barclays website.

+ Further details can be found at: fca.org.uk/data/complaints-data

Corporate and Investment Bank revenue ranks and market shares

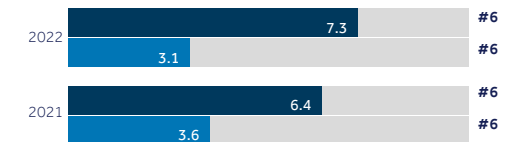
Revenue ranks and market shares are a good indicator to monitor success. We use them to measure how successful our Corporate and Investment Bank has been, and where there is the ability to progress.

By using Dealogic Investment Banking global fee ranking and share, and a comparison to global peers share of reported revenues for Global Markets, we can assess our relative performance versus a defined peer group, clearly and transparently.

In 2022, we maintained our performance of prior years, illustrating the continued success of the CIB for the clients we work for. In Markets, we maintained our ranking of 6th and grew share by 90bps, a particularly strong result given challenging market conditions and driven by the excellent performance of our FICC businesses.

In Banking we solidly maintained our overall ranking of 6th in a year of suppressed dealmaking.

Corporate and Investment Bank revenue ranks and market shares (#,%)



■ Global Markets revenue ranking and share
■ Dealogic Investment Banking global fee ranking and share demonstrating our performance vs peers.

Notes

^a Dealogic for the period covering 1 January 2020 to 31 December 2022.

We have adopted a new performance measure for Global Markets based on its share of reported revenues of the Markets businesses of the top 10 banks. The peer group contains BoA, BNP, CITI, CS, DB, GS, JPM, MS and UBS. Where any of the peer group have not published results when we report, we use the consensus estimate for their quarterly performance. While acknowledging accounting treatment differences in peer reporting (e.g. treatment of cost of income) and inclusions of business lines we do not operate in (e.g. Commodities), we have adopted this measure as it provides the most consistent and timely view of the performance of our Global Markets business relative to our global competitor set. The measure is a simple and effective way of understanding relative performance on a global scale.

Customers and clients (continued)

Supporting customers through Barclays UK

Barclays has a large retail presence in the UK, offering a wide range of products and services to c.20 million customers through Barclays UK.

We recognise that there is a heightened need to help customers who may be experiencing financial vulnerability due to the current inflationary pressures on household budgets. We are endeavouring to support customers during these challenging times, by focusing on four key areas:

1. using data analytics to determine which customers are in need of support and the appropriate type of support;
2. engaging those customers impacted to increase awareness of products, tools and support available;
3. understanding customers' needs and developing solutions to provide greater support; and
4. ensuring colleagues have, and are aware of, the financial health tools to enable them to support customers.

Barclays defines vulnerability as any existing or potential customers who, due to their personal circumstances e.g. financial difficulty, long-term medical conditions, or other personal circumstances, are especially susceptible to detriment.

Our aim at Barclays is to offer an accessible, empathetic and inclusive service for our customers, including for those who may typically face barriers to accessing banking services, such as customers living with disabilities, complex needs or experiencing difficult life events.



To better support financially vulnerable customers, we are enhancing our Barclays' tools, training, support and systems, continuing to improve our ongoing support when customers need us the most.

Our key measures in 2022 have included:

- Extending unsecured borrowing solutions for consumers allowing them to borrow money without offering up security based on a major asset, while being protected by the Consumer Credit Legislation and the FCA's Consumer Credit Sourcebook.

+ Further details can be found on page 154 in relation to Consumer Duty within the Governance section in Part 3 of the Annual Report

- Cost of living support by proactively contacting over 13.5 million customers in 2022 with targeted emails based on their financial needs, providing support and guidance on managing their finances, offering them help ranging from budgeting to direct financial support and guiding them towards dedicated functions such as Barclays Financial Assistance (BFA) or external agencies such as Step Change.
- Providing knowledge and expertise through our colleagues with the aim to offer our customers more tools and features to educate them on managing their money, including by giving them guidance on how to use our digital platforms via the Digital Eagles, or supporting them in their understanding of financial products, how to build financial plans,

and save money through budgeting via our Barclays Money Mentors®.

Our early intervention strategies assess all customers who hold a retail product to determine if we think they would benefit from our support. These customer engagement strategies are bank-initiated and largely focused around proactive communications, based on sets of customer behavioural triggers, whilst we also support customers who initiate contact with us.

Our primary focus is to support customers whose account behaviours are showing signs of possible early financial difficulty, and look to help customers maintain or regain control of their finances.

Customers and clients (continued)

Some of the other ways we seek to support vulnerability and provide responsible and inclusive banking are set out below:

Access to banking

Customers are looking for more convenient, simpler ways to bank that fit their lives, including banking digitally: our mobile app has over 10.5 million active users. We are continuing to help deliver these solutions at pace.

Alongside our investment in technology enabling digital customers to access tools and products whenever they need them, we're transforming the role of physical locations across the UK to ensure older and more vulnerable customers can still access banking.

We have launched our own initiatives, including a cashback without purchase service and Barclays Local, and we are working with other banks, the Post Office and LINK, to keep Barclays at the heart of the community.

Alongside these changes, we are investing in multi-skilled training for our colleagues so they are better able to serve customers in ways that meet their needs today as well as breaking down internal barriers to enable quicker resolution of customer queries.

+ Further details on mobile banking vans and how to book an appointment can be found at: events.uk.barclays/barclaysvan/



Economic crime and scams

We have an established programme to educate customers and prevent them from falling victim to scams.

We have also launched a new Fraud and Scams hub on the Barclays website, which hosts a variety of content and resources to help the public learn how to keep themselves safe.

Additionally, to help keep our customers safe, we've continued to invest in multi-layered security systems that protect against fraud and scams, including 'Confirmation of Payee', an account name checking service that helps to make sure payments aren't sent to the wrong bank or building society account.

We introduced app ID, which allows Barclays colleagues to verify to customers that they're a legitimate caller and not an impersonator.

We are part of the 'Do not originate' scheme, created in partnership with the telecommunications industry, UK Finance and Ofcom, to prevent our most common inbound helpline phone numbers from being used in a scam.

We are also proud initial signatories of the Contingent Reimbursement Model Code, providing measures to help prevent Authorised Push Payments scams taking place and building increased consumer protection standards for customers of signatory firms.

We are founding members of Stop Scams UK, a cross-industry group made up of banks, telecoms and tech firms that have come together to seek to put an end to scams by collaborating, sharing best practices and engaging with the government and regulators to make it harder for scammers to operate. Through Stop Scams UK, we have created a dedicated hotline for customers to call if they think they are being targeted by a scammer.

Further detail and evidence with regards to our position can be found in the Frontier Economics

report published earlier this year, in conjunction with Barclays, which includes Barclays' Scams Manifesto, outlining specific and actionable recommendations.

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

+ **Frontier Economics report on Tackling Fraud and Scams:** home.barclays/content/dam/home-barclays/documents/news/PressReleases/Tackling-Fraud-and-Scams-An-Ecosystem-Wide-Approach.pdf

Digital accessibility

We aim to ensure that our digital services are easy to see, hear, understand and use for all customers, including those with disabilities.

Collectively we seek to deliver digital services and workplace tools that promote disability inclusion and meet accessibility requirements set out in the Web Content Accessibility Guidelines (WCAG) 2.1 AA level.

+ **The Barclays Accessibility statement** barclays.co.uk/accessibility/statement/

Gambling

Barclays understands that gambling and financial difficulty can often go hand in hand and that customers may sometimes find it hard to ask for help. We have continued to work in partnership with GamCare, a UK charity which provides information, advice and support for anyone affected by problem gambling. GamCare provided additional training for our specialist financial assistance teams helping them have conversations with customers who are impacted by problem gambling, directly transferring those who need further support to trained GamCare advisers.

+ **Further details can be found at:** barclays.co.uk/gambling-support/

Domestic abuse

To support customers impacted by domestic abuse, we have partnered with Refuge, a UK charity providing specialist support for women and children experiencing domestic abuse. This enables us to direct those impacted by domestic abuse to expert advice and assist survivors with the opening of bank accounts and gaining access to banking services in situations where they may not have the requisite documentation.

In 2022, the Barclays Refuge Partnership, has been recognised at the Better Society Awards and the Charity Times Award.

We have also signed up to the revised UK Finance Domestic Abuse Code of Practice, which sets out how participating banks and building societies should support customers who are victims and survivors of economic or financial abuse.

Homelessness

We continue to support those with limited documentation such as homeless people to open a basic current account. This year, the UK has seen its fastest cost of living increase in 40 years. Barclays has partnered with the Trussell Trust to help those most impacted by the current environment through dedicated financial inclusion support.

Customers and clients (continued)

Bereavement

We continue to support customers through the bereavement process. Throughout 2022 we have seen increased customer satisfaction scores in our surveys and a reduction in complaints year on year. We have an ongoing programme of work to enhance the customer experience across all of our channels including physical locations and online. In particular, we are improving our handling and processing of documentation to make it easier for customers to supply important information to us. Further enhancements are planned for 2023.

+ Further details can be found at: barclays.co.uk/what-to-do-when-someone-dies/notify-us/

Authorised users

Barclays was one of the first in the UK to launch a new way in connecting customers to those they trust - Barclays 'Authorised Users'.

The launch of 'Authorised Users' in June 2022, enables Barclays customers to digitally and instantly add someone that they trust to their current account to support them with spending on their behalf or supervising their account. This empowers sometimes vulnerable - but capable - customers to manage their finances effectively with support of another, while retaining full control of their account.

+ Further details can be found at: barclays.co.uk/ways-to-bank/authorised-users/manage-account/

Specialist support team

We continue to support our frontline colleagues when handling cases of complex or extreme vulnerability through a Specialist Support Team. This ensures frontline colleagues are better equipped to support customers in vulnerable circumstances.

Accessibility & Vulnerability (A&V) Indicators Platform

In July 2022 we launched a new framework across Barclays UK, giving colleagues within Barclays the ability to record disclosed customer vulnerability on our systems, so allowing us to provide customers with the correct level of service based on their particular needs and/or adjustments.

Training for colleagues

Over 28,000 Barclays UK colleagues completed the mandatory Customers in Vulnerable Circumstances annual e-learning modules. The training improves awareness and understanding of vulnerability for our frontline and head office colleagues. Additional training modules were also updated with a view to greater depth of understanding for colleagues on the overarching drivers of vulnerability.

We are further enhancing our training materials for our colleagues in 2023, with the addition of a 'Threat to Life' module to help further support colleagues when liaising with customers.

Banking Made Clearer brochure

We have also partnered with the British Institute of Learning Disabilities to refresh our Banking Made Clearer brochure; an easier to read guide which uses simple, clear language and imagery.

Barclays UK Performance Framework

Within Barclays UK, the Performance Framework is in place to ensure a sustainable commercial performance. The framework looks to mitigate the risks of inappropriate practices, such as ensuring there is no undue pressure on colleagues to sell products, which can result in mis-selling.

Alongside the Performance Framework we have introduced Performance Standards to set clear expectations, identify development opportunities, and deliver sustainable performance for our customers and clients.

Basic current account

Since 2015, we have been offering our basic current account to individuals who may not be eligible for a standard account access to banking, including over the counter services, access to ATMs, and digital banking and free text alerts to manage finances. There were over 660,000 Barclays basic current accounts open at the end of 2022.

Access to a transactional bank account enables consumers to benefit from bill reductions through paying by direct debit and access to cheaper goods and services on the internet, to help them along their financial journey. If their circumstances change, customers on the basic current account are able to apply for a standard Barclays current account at any time.

Number of basic current accounts

(#)



Barclays mortgages and first-time buyers

In 2022, we helped almost 40,000 first-time buyers get onto the property ladder, near the level achieved in 2021. We have continued to support customers buying their first home with 95% loan-to-value mortgages through UK Government schemes including Help to Buy and Mortgage Guarantee Schemes, and Barclays Family Springboard Mortgage.

The Help to Buy scheme allows first-time buyers to get on the property ladder with the help of an equity loan from the Government. Customers put down a 5% deposit which is 'topped up' with an equity loan of 20% (or 40% in London) to support their property purchase. Help to Buy is only available on new build properties.

Our Mortgage Guarantee Scheme offers 95% LTV mortgages which are backed by a UK Government guarantee. Customers can apply for the scheme with a minimum deposit of 5% of the property purchase price, and it is available for first-time buyers and those looking to make their next move on the property ladder.

Our people and culture

Empowering our colleagues

Our people and our culture are our greatest assets. We are committed to making Barclays a great place to work, enabling colleagues to deliver strong results for our customers, clients, communities and each other.

Mindset Indices

90%

Empower
2021: 87%

85%

Challenge
2021: 83%

87%

Drive
2021: 84%

2022 Your View survey

85%

"I would recommend Barclays to people I know as a great place to work"
2021: 82%

92%

"I believe my team and I do a good job of role modelling our Mindset every day"
2021: 89%

86%

Wellbeing Index
2021: 84%

During 2022, we continued to embed the Barclays Mindset, helped colleagues to adapt to hybrid working, supported colleague wellbeing and made further progress against our diversity, equity and inclusion (DEI) ambitions. Through our colleague listening survey, Your View, we saw improved scores across all our indices.

We remain committed to attracting, developing and retaining a diverse and inclusive workforce. Against a competitive hiring market, we hired 22,759 new colleagues into Barclays, and supported our colleagues into their next career moves through internal mobility, with 43% of vacancies being filled by internal candidates. This was in addition to welcoming 841 graduates, 1,190 interns and 440 apprentices to Barclays throughout 2022. To support colleague development, an average of 2.2 days/17 hours of development and training was completed per colleague in 2022, including enrolment of 1,035 colleagues in our flagship leadership development programmes (The Enterprise Leaders Summit, Aspire and Strategic Leaders Programme).

We launched the Barclays Mindset in 2021, taking the best of what we learnt from our ways of working through the course of the pandemic, and sought to embed the behaviours (empower, challenge and drive) into everyday working practices. In 2022, we formally incorporated this into our hiring, performance management, reward and recognition frameworks.

+ For further information on our Purpose and Values, please visit home.barclays/who-we-are/our-strategy/purpose-and-values/

We further embedded hybrid working, with colleagues spending a mix of time between Barclays' sites and at home. We provided support and practical guidance to all people leaders seeking to ensure we were balancing the needs of our colleagues, alongside those of our customers and clients, as well as providing colleagues with the collaboration tools and technology we believe they need to succeed in a hybrid environment. We continue to develop and optimise our workspaces. Our support for colleagues extends beyond the tools and environment that we provide. We have evolved our Be Well programme to provide a holistic and inclusive perspective on wellbeing which supports the needs of our diverse workforce with a focus on:

- **sustainable high performance:** giving colleagues the skills and knowledge to enhance their physical and mental fitness; and
- **supportive culture:** building confidence to address stigma and offer support around mental health and other aspects of wellbeing from financial welfare to the menopause.

Our people and culture (continued)

Our data-led approach, underpinned by our Wellbeing Index (now in its second year), brings together actionable insights for people leaders. It also enables curation of content for colleagues that is grounded in clinical evidence to help them better manage their own health. Ongoing leader-led campaigns are at the forefront of the way we engage with colleagues, with regular expert speaker events chaired by senior executives. Our 'Talk Money' week in the UK challenged the stigma around talking about money, building confidence with financial management and signposting to free and confidential support. This is complemented by practical resources and guidance offered through our global Be Well portal (with 45% of colleagues registered), and our Employee Assistance Programme.

In response to increases in living costs experienced by our UK colleagues, we brought forward part of the 2023 pay increase, awarding 35,000 UK-based junior colleagues a £1,200 salary increase effective from August 2022, ahead of our annual salary review. In January 2023, Barclays worked closely with Unite the Union to agree a 2023 UK pay deal which, combined with the August 2022 increases, brought the total average salary increase for our lowest paid colleagues up to 11%. By doing this we ensured that our minimum rate of pay in the UK remains well ahead of Living Wage Foundation benchmarks.

Similarly, we brought forward part of the 2023 pay increase for our most junior colleagues in Belgium, France, Ireland, Italy, Luxembourg, Netherlands, Portugal and Spain, awarding them €1,500 effective from 1 November 2022. In November, we also awarded junior colleagues in Germany a one-off payment of €2,000 as that approach, whilst having the same effect, was more appropriate under local rules.

+ For further information on the resources and support available to colleagues relating to financial wellness, please visit the 2022 Fair Pay Report.

Our approach to diversity, equity and inclusion

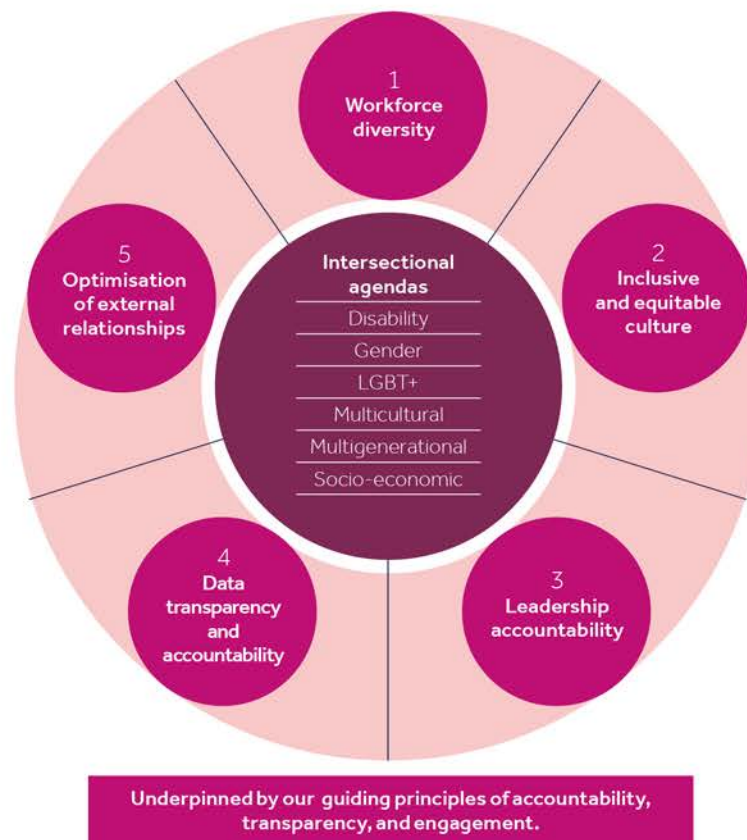
We launched our refreshed DEI vision and strategy to incorporate 'equity' into how we talk about, and take action to progress, our DEI activities.

Our vision is to strengthen our diverse, equitable and inclusive culture, with a view to attracting and retaining the best talent, building high-performing teams which generate better outcomes for our customers and clients, whilst also meeting the expectations of our regulators, shareholders and other stakeholders.

We have five strategic priorities:

- Workforce diversity
- Inclusive and equitable culture
- Leadership accountability
- Data transparency and accountability
- Optimisation of external relationships.

These priorities are underpinned by our guiding principles of accountability, transparency and engagement. These principles and priorities help us to deliver against our six core agendas – disability, gender, LGBT+, multicultural, multigenerational and socio-economic.



2022 highlights

We have:

- Achieved our ambition to double the number of Black Managing Directors in the UK and US by the end of 2022, going from nine to 18.
- Increased our female representation at Director/Managing Director grades to 29% Δ , in line with our gender ambitions of 33% female representation at this level by 2025.
- Launched partnerships with Historically Black Colleges and Universities (HBCUs) and Hispanic-Serving Institutions (HSI) in the US, creating a pipeline of diverse talent into Barclays.
- Our Inclusion Index score improved to 82% (from 79% in 2021) and we increased engagement with colleagues through webcasts, workshops and events including our inaugural 'Inclusion Unleashed' week
- Appointed Accountable Executives (AEs) to champion and galvanise support for each of our six agendas with an emphasis on intersectionality.

Note

Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Refer to the ESG Resource Hub for details: home.barclays/sustainability/esg-resource-hub/

Our people and culture (continued)



Workforce diversity

Developing diverse talent pipelines

We are focused on recruiting the best talent and have created, and participated in, dedicated recruitment schemes across our agendas and regions to increase access to diverse talent. This has included:

- Continued support for our internal programmes, such as the Barclays Military and Veterans Outreach programme, in the UK and US, supporting active duty service members into secondment opportunities at Barclays. In 2022, we welcomed 45 service leavers into permanent roles across Barclays through our Military Talent Scheme and Hiring Our Heroes programmes alongside 120+ military talent hired with support from Barclays' Military and Veterans Outreach (MVO) team.
- Establishing a partnership with the Thurgood Marshall College Fund, which represents a network of 47 Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) in the US. Through this partnership, we will work to increase the diversity of our talent pipelines in the US.
- Participation in the Grace Hopper Celebration Event in the US, which focuses on supporting women and non-binary technologists with careers in Technology, resulting in over 400 job offers to join our Technology division.

Globally, there is training and support available for all hiring managers and interviewers to ensure inclusivity and consistency throughout the hiring journey. We are an equal opportunities employer and give full and fair consideration to all populations based on their competencies, strengths and potential.

Additionally, as part of the UK Government Disability Confident scheme, we encourage applications from people with a disability, or a physical or mental health condition. We require people leaders 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.

+ For further information on our work on developing diverse talent pipelines, please visit our [DEI website](#).

Providing tools and support for colleagues to succeed and progress at every stage of their career

We offer multiple development programmes to support the growth of our colleagues, providing them with the opportunities and resources necessary to strengthen key skills to progress and reach their full potential.

The Black Professionals Resource Group (BPRG) created Ascent, a six-month programme for Analysts in the UK and US, to support the development of Black colleagues across Barclays and was the first such programme conceived and delivered by a Barclays Employee Resource Group (ERG).

+ For further information on development programmes, please visit the [Talent Now](#) and for the [Future](#) section.



Inclusive and equitable culture

At Barclays, we are committed to building a supportive and inclusive culture. We believe that making our organisation more equitable will help us to make the most of the different backgrounds, perspectives and experiences of our colleagues, and to better serve our customers and clients.

As part of our Continuous Listening strategy, we ask colleagues to participate in surveys, providing regular opportunities to feed back on their experience of working at Barclays. Colleagues are asked to share their feedback on topics ranging from inclusion to wellbeing, and responses help us to assess progress on our DEI journey and identify areas of focus.

+ To learn more about the 2022 Your View survey results, please visit the [Listening to our colleagues](#) section.

Employee Resource Groups (ERGs)

Colleague networks have long played an important role at Barclays, through creating communities and fostering belonging. More recently, they have acted as a sounding board for the business, driving a better understanding of the needs of our customers, clients and communities. With over 24,000 colleagues globally participating in one or more of the ERGs, these colleague-led communities amplify the unique challenges of diverse groups at Barclays and provide insight into colleague sentiment and experience.

Socio-economic inclusion agenda

To support the launch of the socio-economic inclusion agenda, colleagues created the Inspire ERG, which aims to amplify the voices of those who identify as coming from a lower socio-economic background. Members and allies of the ERG are encouraged to develop their understanding of how socio-economic status can impact a person's work and life experiences. Through Inspire, we are also connecting with schools and universities to remove barriers for people of varied backgrounds to join Barclays.

In July, colleagues across the organisation were invited to join the socio-economic Inclusion Week. Speakers shared insights on a range of topics, including: social mobility, socio-economic background and bias, ethnicity, accents and the differences across the regions in which we operate. Throughout the week, we shared how we are supporting the career progression of colleagues from lower socio-economic backgrounds, and the removal of barriers from the workplace. These include mentoring and education initiatives which aim to tackle the barriers to development and promotion, partnerships with schools and universities, as well as through our LifeSkills programme, which provides opportunities for colleagues to volunteer within the community and amplify the breadth of opportunities available to young people within the business.

Our people and culture (continued)

Pronouns

In 2022, we added two new features to our internal phonebook where colleagues can opt to display their personal pronouns, as well as the phonetic spelling or audio recording of their name. We also proudly partnered with Microsoft, to pilot a pronoun feature on Microsoft Teams.

Branch colleagues in the UK are also now able to add their pronouns, as well as markers indicating health conditions and flags denoting spoken languages, to their name badges. This helps to create a safe space for our trans, non-binary and LGBT+ colleagues, and promotes inclusivity of diverse nationalities, abilities and backgrounds. We support the sharing of pronouns as a personal choice.

Wellbeing and policies

Prioritising the wellbeing of our colleagues is central to creating productive teams where all individuals feel valued and included. Our holistic and inclusive perspective requires us to measure wellbeing, using our Wellbeing Index and to educate and empower our colleagues and leaders to actively manage their health and support that of others. We continue to deploy training, which recognises the importance of mental wellbeing and building a supportive and inclusive culture. We have also partnered with our DEI ERGs and leaders on global campaigns to normalise conversations about mental health and wellbeing topics. In the UK, Barclays pioneered 'This is Me', now in its ninth year, where individual colleagues talk openly about the challenges they have faced, with the aim of tackling the stigma associated with mental ill health.

For the first time in 2022 we expanded the DEI performance objective to include wellbeing, with colleagues now being asked to develop their understanding of the factors contributing to their resilience and sustaining high performance; and managers now being asked to champion and support team wellbeing. This was bolstered by the launch, on World Mental Health Day, of a new toolkit to help people leaders lead their teams in a way that protects and enhances colleague health with a focus on practices such as workload management, fostering autonomy and enabling growth.

We also made enhancements to our provision of workplace adjustments for colleagues with disabilities and health conditions, to drive consistency in how we support our colleagues globally. Colleagues now have greater control over their own individual requirements and an improved experience through the implementation of a new self-service process for the ordering of equipment for office and home working use, as required.

We regularly revisit our people policies to ensure they are in line with our broader DEI and people strategy. This includes making updates to our HR policies, processes and support materials on a range of topics such as flexible working and workplace support for menopause.

[+](#) **To learn more about the policies reviewed in 2022, please visit the [Our Policies](#) section.**



Leadership accountability

Our leadership play an important role in progressing our DEI journey and meeting the rising expectations of colleagues, customers, clients and communities. Accountable Executives (AEs) from the Barclays Group Executive Committee have been appointed as visible advocates for the DEI agendas, shaping priorities and delivering against these.

We also hosted the second annual Inclusion Summit, a virtual two-day event to engage and mobilise senior leaders in respect of the DEI strategy. The event, consisting of a series of speaker events and focused discussions, reached over 1,000 Barclays leaders and ERG representatives from across the organisation. It was met with positive feedback from participants, with 71% agreeing or strongly agreeing that Barclays has made meaningful progress on inclusion since the 2021 Summit.

Every colleague continues to have a mandatory inclusion performance objective against which they are assessed as part of their performance review. The objective encourages inclusive and supportive behaviours that recognise every individual's background as key drivers of our Purpose, Values and Mindset.



Data transparency and accountability

Data plays an essential role in delivering our DEI strategy, allowing senior leaders to make informed decisions and track our progress.

In an effort to ensure colleagues' personal data records are accurate, this year we held another 'Count Me In' campaign, inviting colleagues in the UK and US to review and share their personal details in our HR systems, in line with local privacy laws. Maintaining up to date personal data records also helps us to develop and update programmes, practices and policies to best support colleagues at every level.

In late summer, we began producing an enhanced monthly management pack for senior leaders, containing a detailed breakdown of their team's progress against our Race at Work and gender ambitions.

Note

Under the Companies Act 2006 (the 'Companies Act'), 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 92,898 (50,967 male, 41,720 female, 211 unavailable), with 432 senior managers (329 male, 103 female), and the Board of Barclays PLC had 13 directors (8 male, 5 female) as at 31 December 2022. 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. The 'male' and 'female' gender splits disclosed in this paragraph are based on Companies Act disclosure requirements and numbers are taken from our employee records which are maintained pursuant to applicable rules and regulations on employee record keeping. For further information on the Group's approach to building a more inclusive company, please see our DEI website - at home.barclays/who-we-are/our-strategy/diversity-and-inclusion/. 'Senior managers' is defined by the Companies Act, and is different to both our Senior Managers under the FCA and PRA Senior Managers regime, and our Director and Managing Director corporate grades. It 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.

Our people and culture (continued)



Optimisation of external relationships

We develop relationships with external partners to challenge our thinking, leverage best practices and access diverse pools of talent. We partner with organisations across all six agendas (disability, gender, LGBT+, multicultural, multigenerational and socio-economic) and in each region.

Relationships with organisations such as the Business Disability Forum, Disability Confident and Disability:IN help us make our workplace and policies more inclusive, while providing resources and support to colleagues with disabilities, neurodiversity and health conditions. Stonewall, Pride Circle and Working Mother Media provide us with valuable feedback on our LGBT+ and gender inclusivity in the form of benchmarks and conferences. Partners in the multicultural space such as COQUAL, Thurgood Marshall Fund, National Urban League, Executive Leadership Council, Black Young Professionals UK, RARE UK and the Hispanic Association for Corporate Responsibility (HACR), among others, provide us with platforms to connect with diverse talent. Work with organisations including Working Families, Carers UK and the UK Socio-economic Taskforce is helping to position us as an employer of choice for talent across all generations and socio-economic backgrounds.

Recognising our colleagues

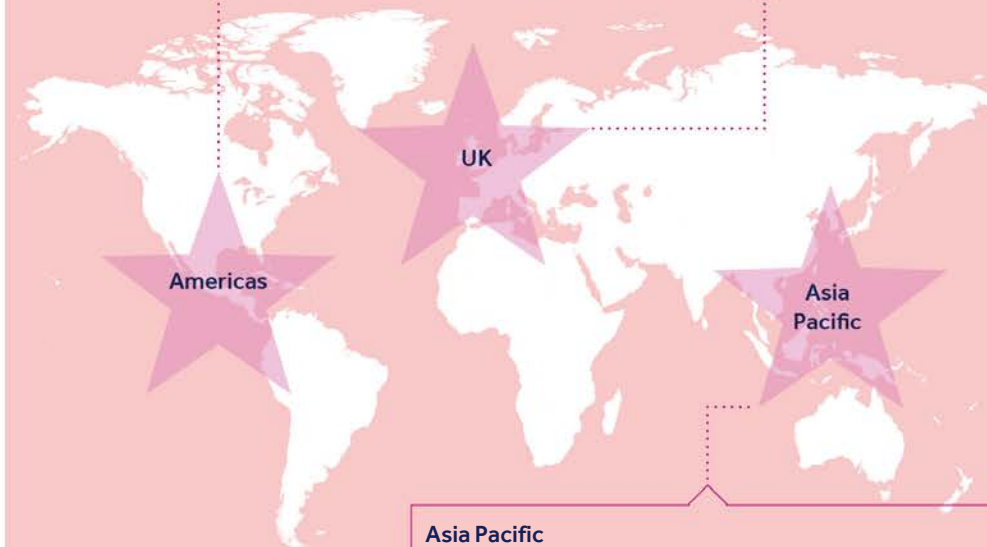
Over the past year, Barclays and several of our colleagues have been recognised for our efforts to advance diversity, equity and inclusion.

Americas

- 100% - Disability Equality Index (Disability:IN)

UK

- Top 100 - Stonewall UK Workplace Equality Index (Stonewall)
- Employer of the Year – 2022 Forces Families Awards (Forces Families)
- Gold Award – Employer Recognition Scheme (UK Ministry of Defence)



Asia Pacific

- Top 10 - 2022 India Workplace Equality Index (Stonewall, Pride Circle, Keshav Suri Foundation)
- Best Companies for Women in India (Working Mother Media and AVTAR)
- City of Good Award - President's Volunteerism & Philanthropy Awards Singapore (President of Republic of Singapore)

Workforce diversity

38%

Female members of the Board of Directors

2021: 33%

27%^Δ

Female Group ExCo and ExCo direct reports

2021: 25%

29%^Δ

Females at MD/D level

2021: 28%

40%

Female hiring rate

2021: 39%

45%

Female promotion rate

2021: 47%

13%

Female voluntary attrition rate^a

2021: 11%

Notes:

^Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays.com/sustainability/esg-resource-hub/reporting-and-disclosures/

^a Volume of leavers in 2022 divided by the average headcount in 2022 that have recorded their gender as female

Our people and culture (continued)

Talent now and for the future

Talent attraction – now and for the future

Across 2022, demand for talent has remained high, alongside a greater focus from candidates seeking flexible working options and on wellness and wellbeing. In response, we have pursued opportunities to attract and recruit talent as quickly and efficiently as possible, including doubling the number of recruiters to support our businesses and the launch of the Onboarding app, giving new joiners and their people leaders access to information required prior to joining Barclays, including the ability to sign employment contracts via the app.

Barclays was ranked number one in the LinkedIn Top Companies UK 2022 list for the second year in a row. Based on LinkedIn-owned data, the list is a resource for jobseekers and career builders to explore open vacancies, enhance their skills and identify companies that invest in their talent. This was further recognised by the Learning and Performance Institute, where Barclays won a Bronze Learning Leader Award.

The Financial Service Skills Commission (FSSC) brings together industry, government and the education sector to help overcome the top five skills gaps in Financial Services (Data and Analytics; Tech Design and Management; Business Process and Customer Experience Design; Personal Effectiveness, Thinking and Problem Solving; and Leadership and Social Influence), working to identify solutions and increase our access to diverse talent. Barclays is proud to partner with the FSSC, and has used the insights gleaned from the partnership to inform our approach to talent, particularly in Technology.

Delivering world-class customer service and care remains of paramount importance to Barclays. In order to meet the demand, we significantly grew our customer care teams globally; for example, following the acquisition of the Gap credit card portfolio in the US, we nearly doubled our footprint in our US contact centre in Nevada, with over 1,800 new hires and saw demand triple for roles supporting our customers in the UK.

Developing our colleagues

We remain committed to our culture of lifelong learning, through a development proposition that supports colleagues at every stage of their career.

On completion of a research-led review of our Graduate Programmes in 2020, we have re-designed our approach to managing high-potential, junior talent. Launched in 2022, we welcomed 841 graduates on to our new Scholar programme, which provides support, development and training in either technical skills through our Expert programme, or leadership pathways through our Explorer programme. Both programmes are underpinned by a suite of baseline learning experiences, which aim to maximise graduate experience and development, while also equipping them with the skills needed to build their future career.

The Barclays Learning Lab is our learning ecosystem. Consisting of Barclays-designed knowledge and skills modules, as well as modules from external specialists, it provides our colleagues with the development tools needed to support them in their current and future roles. Colleagues can access a wide range of workshops, split between colleague and people leader development. This is complemented by our digital content providers, whose content has been mapped against role-specific learning pathways, making it easy for colleagues to navigate development resources suitable for their needs.

The Learning Lab also offers a selection of self-assessment tools, empowering colleagues to understand their strengths and development areas. These are supported by business-led solutions that encompass professional and technical resources encouraging colleagues to drive their own development.

People leadership at Barclays is about helping others to achieve their potential. To equip our people leaders with the critical skills and behaviours to inspire, develop and support their teams today and into the future, we have refreshed our Management Unlocked programme.

The programme provides participants with extensive digital content, as well as our Evolution programme, which supports new people leaders as they transition into leadership roles.

We also operate three high-potential flagship leadership programmes: The Enterprise Leaders Summit, for Managing Directors; the Strategic Leaders Programme, for Directors; and Aspire, for Vice Presidents. These programmes aim to build enterprise-wide leadership, alongside strong people leadership capabilities, helping colleagues tackle people management situations confidently, in line with our Values and Mindset.

Developing digital skills across Barclays

As our organisation evolves, we have implemented strategies to actively upskill, reskill and realign talent across Barclays, supporting colleagues' career growth and our future skills needs. Our Destination Technology and Destination Security Apprenticeship schemes focus on developing digital capabilities and provide opportunities for UK-based colleagues to reskill via a clear and structured career pathway, leading to increased internal mobility and employment in a variety of roles such as Testers, Developers and User Experience (UX) Designers.

Apprentices are provided with a range of support, from team buddies and talent coaches to more structured learning courses and study time to achieve industry-recognised qualifications, with over 190 colleagues having successfully transitioned into their new roles.

Here's what two of our 2022 cohort had to say about how Destination Technology has transformed their careers.

"

"This is the most incredible opportunity I could ever have asked for; I had no idea how to get into Technology and no idea how to code. I am now coding in five different languages in my first 12 weeks.

This experience has been life-changing and it has really improved my mental health."

"

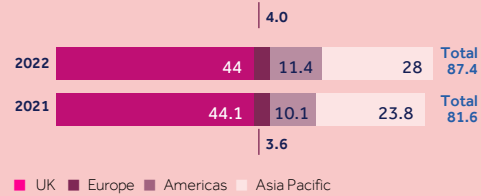
"This is a golden ticket and a life-changing opportunity. The support I have received has been amazing and I will be forever grateful."



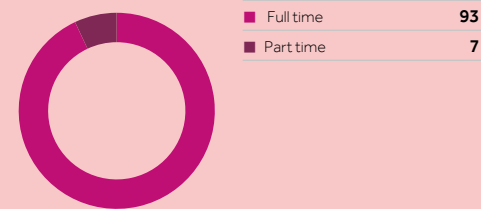
Our people and culture (continued)

Employee statistics

Number of employees split by region (000s)

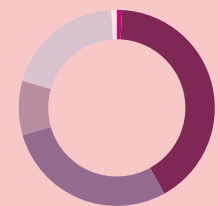


Split by full time/part time (%)



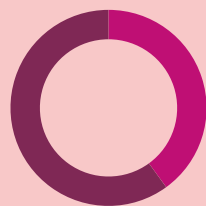
Our hires

By age group %



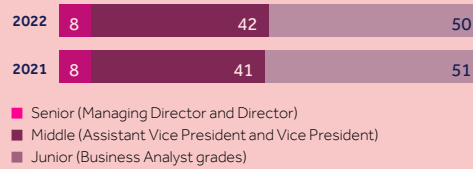
Below 20	1
20-30	46
30-40	32
40-50	10
50-60	10
Over 60	1

By gender %

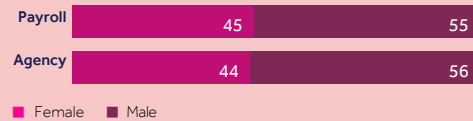


Female	40
Male	60

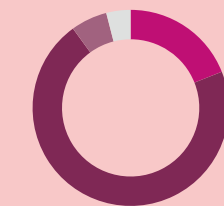
Number of employees split by grade (%)



Employees by employment contract type and gender (%)

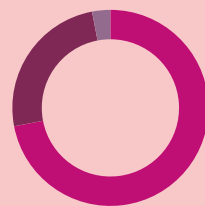


By ethnicity %



White	19
Asian	71
Black	6
Other ethnicities	4

By management level %



Junior	72
Middle	25
Senior	3

Talent and development

Aspire

471 participants in 2022 which is

3% of the overall VP population

Nominations (%)

Female	50
Male	50

Note
The pool of females to select from at the VP level is 32%.



Strategic leaders

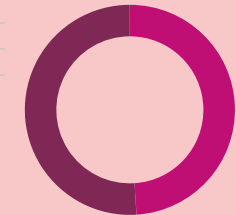
278 participants in 2022 which is

5% of the overall Director population

Nominations (%)

Female	49
Male	51

Note
The pool of females to select from at the D level is 29%.



The Enterprise Leaders Summit

286 MDs completed the programme in 2022 which is

18% of the overall MD population

People leadership training

807 Number of people leaders that took part in Management Unlocked training

1,580 Number of people leaders that took part in Evolution Programme

Our people and culture (continued)

Listening to our colleagues

Listening to colleagues allows us to obtain insights into what we are doing well and areas where we need to focus our attention.

Our biannual all-colleague Your View surveys measure colleague considerations across a breadth of topics including colleague engagement, organisational culture, including the Mindset and Values, wellbeing, inclusion and working practices and tools. The Your View survey is the primary mechanism for how we track engagement and monitor our culture, with the 2022 survey results indicating good progress for both engagement and cultural measures. Senior leaders continue to receive and review the results from these surveys to inform decisions.

We have also evolved our Continuous Listening strategy, leveraging pulse surveys, as well as additional surveys deployed throughout the employee lifecycle, to capture insights which help us better understand our culture and improve colleague experience.

We have adopted a number of methods for engagement with our workforce, in line with the UK Corporate Governance Code. These engagement mechanisms, including all-colleague townhalls, skip-level meetings, DEI summits, site visits and engagement surveys, enable colleagues to share ideas and feedback with senior management and the Board.

We keep colleagues updated on the strategy, performance and progress of the organisation through a combination of leader-led engagement, digital and print communication, blogs, vlogs and podcasts. In 2022, the Barclays Group CEO held over 50 engagement sessions throughout the year with colleagues, including quarterly townhalls on financial performance, listening sessions on flagship talent programmes and Q&A sessions.

Other workforce engagement activities have also been carried out by both Board and management to deliver meaningful, regular two-way dialogue with colleagues. This helps our Board reflect colleague feedback in their decision-making. The range of direct engagement mechanisms we use, across multiple channels throughout the year, combined with a comprehensive reporting approach, enables us to effectively engage with our workforce.

Results from our surveys and other employee engagement mechanisms were shared with colleagues and discussed with the Barclays Board, the Executive Committee and people leaders.

We maintain a strong and effective partnership with Unite and the Barclays Group European Forum, whom we brief on our strategy and progress to obtain feedback on how we can improve the colleague experience. In 2022, we engaged with Unite on the transition to hybrid working and our updated DEI strategy. We also consult with colleague representatives on major change programmes which impact our people, to minimise compulsory job losses, and focus on reskilling and redeployment. In 2022, this included the launch of an enhanced mobility service to further mitigate redundancies across the organisation, redeploying colleagues into roles commensurate with their skills and experience, and upskilling colleagues where required.



The collective bargaining coverage of Unite in the UK represents 83% (2021: 84%) of our UK workforce and 43% (2021: 48%) of our global workforce.

Highlights

84%

Colleague engagement score^a

2021: 82%

85%

"I would recommend Barclays to people I know as a great place to work"

2021: 82%

92%

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

2021: 92%

92%

"I believe my team and I do a good job of role modelling our Mindset every day"

2021: 89%

83%

"It is safe to Speak Up"

2021: 79%

13%

Voluntary employee turnover

2021: 11%

16%

Employee turnover

2021: 14%

Our policies

Our people policies are designed to recruit the best people, provide equal opportunities and create an inclusive culture, in line with our Purpose, Values and Mindset, 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 the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

We regularly review and update these policies to ensure that they are in line with our broader DEI and people strategy. To support the transition to hybrid working in 2022, we updated our policies on Working Flexibly to enable an approach that meets the requirements of each role, while also taking into account the needs of our colleagues. We also updated our policies and guidance on a range of topics including workplace support for menopause and baby loss.

We are committed to paying our people fairly and appropriately relative to their role, skills, experience and performance. This means our remuneration policies reward performance that is in line with our Purpose, Values and Mindset, as well as our risk expectations. We also encourage our people to benefit from Barclays' performance by enrolling in our share ownership plans.



For further information, please see our Fair Pay Report 2022 and UK Pay Gaps 2022.

Note

^a As part of our efforts to improve our measurement frameworks, we have transitioned to a new three question engagement model. This was after collecting four years of concurrent data and running analysis to affirm the new model's validity. Historic figures have been updated to reflect results from the new three question model.

Society

Making a difference

Our success is judged not only by commercial performance, but also by our contribution to society and in the way 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.

Highlights

1.5°C
aligned-targets set against five NZBA^a
high-emitting sectors

New target to facilitate
\$1 trillion
of Sustainable and Transition Financing
between 2023 and the end of 2030

269
Unreasonable Impact ventures
supported since 2016

93%
Prompt payment rate

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 in light of all relevant risk and other factors and through the commitments we make to support our clients and communities and to champion sustainability for the long term. We recognise that we are at our best when our clients, customers, communities and colleagues all progress.

Our focus on society falls broadly into three categories: Climate, Communities and Suppliers.

Climate

Addressing climate change is an urgent and complex challenge but also an opportunity. It requires a fundamental transformation of the global economy. The financial sector has an important role to play in supporting the transition to a low-carbon economy and at Barclays, we are determined to play our part consistent with our Purpose and relevant business and risk considerations.

In 2020, Barclays announced an ambition to be a net zero bank by 2050, across all of our direct and indirect emissions and we committed to align all of our financing activities with the goals and timelines of the Paris Agreement. We made it clear at the time that we would approach the climate challenge thoughtfully and transparently, engaging with our shareholders and other stakeholders and reporting our progress.

In doing so, we also recognise the importance of supporting a just transition considering the social risks and opportunities of the transition and seeking to ensure effective dialogue with affected stakeholders.

+ For further details on our integration of social and environmental issues into our business, please refer to our ESG-related reporting and disclosures on page 64. For further details on our climate-related progress, please refer to our climate-related financial disclosures (TCFD) Content Index from page 65.

Communities

In the communities in which we operate, Barclays is supporting people to develop the skills and confidence they need to succeed, now and in the future and working to help businesses create jobs. We collaborate with experienced partners, employability experts and businesses to develop meaningful and innovative programmes that aim to deliver a significant positive impact over the long term.

+ More information on how we are supporting our communities can be found from page 41.

Suppliers

As a global institution, we have responsibility for a large supply chain. We engage directly with our suppliers seeking to promote diversity, equity and inclusion and we work to identify and address modern slavery risks across our operations, supply chain, and customer and client relationships.

+ More information on how we engage with our supply chain can be found from page 43.

Engagement

We engage with stakeholders internally and externally to assess our areas of focus against their priorities. That happens through ongoing conversations, as well as surveys and information requests from investors and ratings agencies. We also monitor closely the relevant ESG frameworks and reporting guidelines.

Notes:

a Net-Zero Banking Alliance (NZBA)

Society (continued)

Barclays' climate strategy

Our climate strategy is driven by consideration of relevant risks and opportunities and our Purpose 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.

In March 2020, Barclays announced its ambition to be a net zero bank by 2050, becoming one of the first banks to do so.

We are committed to achieving net zero operations and have made progress, having sourced 100% renewable electricity for our global real estate portfolio operations^b and created a pathway to address our supply chain emissions.

We are also committed to reducing our financed emissions, those deriving from the activities of the clients that we finance and those generated in their respective value chains by providing financial advice and support as they transition to a low-carbon economy. We have now set 2030 reduction targets across five of the highest-emitting sectors in our portfolio: Energy, Power, Cement, Steel and Automotive manufacturing and have assessed the baseline and convergence point for our Residential real estate portfolio.

We have developed a methodology for measuring our financed emissions and tracking them at a portfolio level against the goals and timelines of the Paris Agreement – this methodology is called BlueTrack™. All of our 2030 target-setting includes the integration of 1.5°C aligned scenarios, such as the IEA Net Zero 2050 scenario in our financed emission targets, and including the upper end of ranges for certain sectors.

1

Achieving net zero operations

Barclays is working to reduce its Scope 1, Scope 2 and Scope 3 operational^a emissions consistent with a 1.5°C aligned pathway and counterbalance any residual emissions.

As a large global financial intermediary, Barclays also has an important role in helping channel investment into new green technologies and low-carbon infrastructure projects.

The transition to a low-carbon economy is today's defining opportunity for innovation and growth. With the scale of investment needed estimated to be \$4trn per year in renewables and a further \$4-6trn^c per year to get to a low-carbon economy over the next 30 years, Barclays is helping to provide the green and sustainable finance required to transform the economies we serve. We surpassed our 2018 target to deliver £150bn of social and environmental financing by 2025 and we are still on track to meet our goal to deliver £100bn of green finance well ahead of 2030.

We keep our policies, targets and progress under review in light of the rapidly changing external environment and the need to support governments and clients in delivering an orderly energy transition and providing energy security. The trajectory for our clients' transition to a low-carbon economy is influenced by a number of external factors, including market developments, technological advancement, the public policy environment, geopolitical developments and

2

Reducing our financed emissions

Barclays is committed to aligning its financing with the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C.

regional variations, behavioural change in society and the scale of change needed to adapt their business models. Client transition pathways will vary, even within the same sectors and geographies.

Many highly carbon-intensive sectors require finance to transition. Restricting the flow of capital to these sectors could be harmful to the pace of the transition, limiting the real terms impact on global warming. However, we anticipate that companies which are unwilling to reduce or eliminate their emissions consistent with internationally accepted pathways may find it increasingly difficult to access financing, including through Barclays.

Our strategy is underpinned by the way we assess and manage our exposure to climate-related risk. Climate risk became a Principal Risk at Barclays in 2022.

We monitor financing transactions through our due diligence and have declined financing to clients that have not been able to meet our policies after taking into account all relevant considerations.

Notes

- a We define our Scope 3 operational emissions to include supply chain, waste, business travel and leased assets.
- b Global real estate portfolio includes offices, branches, campuses and data centres.
- c \$4-6trn as referenced at COP27 at unfccc.int/documents/624444 as well as the United Nations Environment Programme - Emissions Gap Report 2022 at unep.org/resources/emissions-gap-report-2022.

3

Financing the transition

Barclays is helping to provide the green and sustainable finance required to transform the economies, customers and clients we serve.

After a strategic review of the Group's capabilities, market demand and growth opportunities, we announced in December 2022, new targets to:

- facilitate \$1 trillion of Sustainable and Transition Financing between 2023 and the end of 2030.
- increase investment into global climate tech start-ups to £500m through our Sustainable Impact Capital portfolio by the end of 2027.

Over the coming years, our strategy will continue to evolve and adapt to reflect external factors affecting the shape and timing of the transition to a low-carbon economy, similar to those impacting our clients' transitions. Progress is likely to vary year to year and we need to be able to adapt our approach to respond to external circumstances and to manage the effectiveness and impact of our support for the transition, whilst remaining focused on our ambition of becoming a net zero bank by 2050.

+ Please see the Barclays Climate and Sustainability report from page 69 for further details on Barclays' ambition to be a net zero bank.

Barclays' climate and ESG-related data, targets and progress can be found within the ESG (non-financial) Data Centre within our ESG Resource Hub

Further details on our BlueTrack™ methodology can be found within our Whitepaper accessible at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Our strategy is underpinned by the way we assess and manage our exposure to climate-related risk.

Society (continued)

Supporting our communities

At Barclays, we believe that a strong, inclusive economy is a better economy for everyone. With rising costs likely to exacerbate social and economic inequalities, it is more important than ever to support communities facing hardship.

We work with experienced partners and employability experts to design programmes that make a positive and enduring difference in the communities around the world in which we live and work. Our LifeSkills programme is enabling people to develop the employability and financial skills they need to get into work and manage their money and our Unreasonable Impact programme is supporting ventures that are solving key social and environmental challenges, driving innovation and creating jobs.

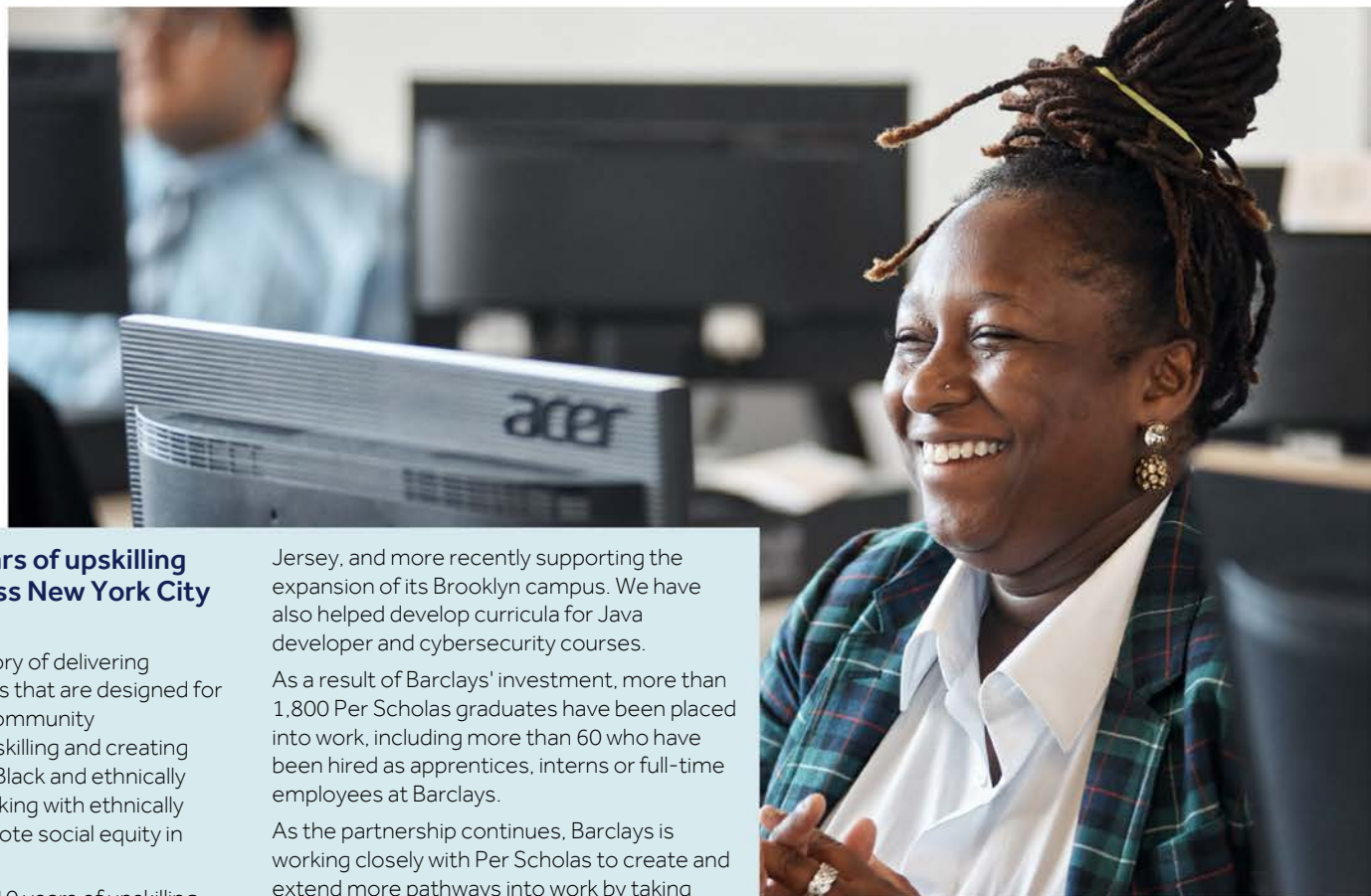
Enhancing people's skills and confidence

Through our LifeSkills programme, Barclays committed to help a further 10 million^a people to develop the skills and confidence they need to succeed, as well as place 250,000^b people into work by the end of 2022. The programme has now reached this milestone with 12.6 million people upskilled and 270,600 people placed into work. Since LifeSkills first began in 2013, it has reached 18.1 million^a people.

Sectors of companies in which people have been placed into work (%)



Technology	58%
Retail and customer service	15%
Financial services	12%
Other	15%



Celebrating 10 years of upskilling communities across New York City with Per Scholas

Barclays has a long history of delivering Citizenship programmes that are designed for inclusion. Through its community partnerships, we are upskilling and creating pathways into work for Black and ethnically diverse people, and working with ethnically diverse leaders to promote social equity in our communities.

In 2022, we celebrated 10 years of upskilling historically underserved communities across New York City with LifeSkills partner Per Scholas, and continue to evolve this partnership to empower even more of their learners – 87% of whom are Black and ethnically diverse, with the skills to be successful in technology careers.

Barclays has played a key role in helping Per Scholas to launch technology training campuses in Brooklyn and in Newark, New

Jersey, and more recently supporting the expansion of its Brooklyn campus. We have also helped develop curricula for Java developer and cybersecurity courses.

As a result of Barclays' investment, more than 1,800 Per Scholas graduates have been placed into work, including more than 60 who have been hired as apprentices, interns or full-time employees at Barclays.

As the partnership continues, Barclays is working closely with Per Scholas to create and extend more pathways into work by taking advantage of remote learning opportunities and establishing satellite locations in partnership with community-based organisations. This is enabling them to expand their footprint and reach underserved populations in every borough across New York City.

+ You can find out more about this approach and its impact in a newly launched report, accessible at: perscholas.org/wp-content/uploads/2022/10/Partnering-For-Impact-Per-Scholas-Satellite-Model.pdf

Notes:

- a. Over a five-year period, 2018-2022.
- b. Over a four-year period, 2019-2022.
- Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Society (continued)

Partnership with Trussell Trust to help UK households with rising cost of living

In 2022, Barclays launched a new 3-year partnership with the Trussell Trust to help unlock income for people struggling to afford essentials and help them to access financial assistance that they're entitled to, but not receiving, such as benefits and grants. Staff and volunteers at food banks are being upskilled to provide bespoke support to tackle the underlying causes of hardship in their community, provide effective financial advice

and be able to signpost to other relevant services such as mental health support. Since April 2022, the Trussell Trust has unlocked more than £2.3m for people through the financial inclusion initiatives that Barclays is supporting, as well as writing off more than £500,000 of unaffordable debt for families. 43% of food banks in the Trussell Trust network currently offer financial inclusion services. Looking forward, the partnership is committed to increasing this to 75% of their network by March 2025.

**Highlights**18.1m^Δ

LifeSkills – Overall participation since launch in 2013

2021: 15.3m

77,200^Δ

LifeSkills – No. of people placed into work

2021: 77,100

2.74m^Δ

LifeSkills – No. of people upskilled

2021: 2.89m

269^a

Unreasonable Impact – Ventures supported since 2016

2021: 216

Enabling sustainable growth

Through the Unreasonable Impact programme, in 2022, Barclays celebrated delivering its Citizenship commitment of supporting 250 high-growth entrepreneurs to scale their companies and address key global issues. The programme is now reaching 269^a companies that have positively affected the lives of more than 300 million people around the world, and employ over 19,500 people full-time (FTE). From air-based protein which makes meat from the air, to hybrid solar panels that generate both electricity and water – these companies are delivering innovative solutions to address pressing social and environmental challenges.

Charitable giving and investment in our communities

Alongside these high-impact programmes, we help our employees to make a difference to the causes that matter most to them personally through our matching programmes. In 2022, we supported more than 5,700 colleagues around the world to fundraise and donate to their chosen charities, including organisations providing vital humanitarian assistance in Ukraine. With Barclays matching, a total of £9.3m was raised for more than 1,800 charities. We also supported 11,900 colleagues to donate via our UK Payroll Giving programme, which saw us match more than £720,000 in 2022.

We also support communities directly by investing money and skills in partnerships with respected non-governmental organisations, charities and social enterprises. Our investment amounted to £44.7m in 2022, including charitable giving, management costs and monetised work hours of Barclays colleagues.

Notes:

^a Cumulative ventures supported since 2016

^Δ 2022 data subject to independent Limited Assurance under ISAE(UK)3000 and ISAE3410. Current and previous limited assurance scope and opinions can be found within the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Society (continued)

Championing equality through sport

At Barclays, we believe in creating opportunities for all through access to football. In 2022, in partnership with Sported, we launched the Barclays Community Football Fund which helps to reduce inequalities in football, with grants available to groups that wish to start offering football, or expand their existing programmes to new, under-represented audiences.

The programme focuses on including girls and young people from lower socio-economic and under-represented groups, including racially diverse communities, people with disabilities, and people from the LGBTQ+ community.

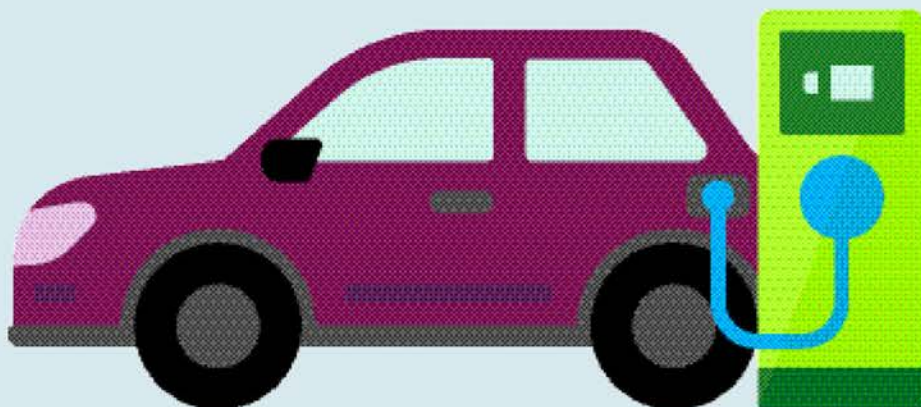
With a target to support 5,500 community groups across the UK by 2025, the fund delivered support to over 2,000 organisations in 2022 – engaging more than 268,800 young people in inclusive football activities.

Lithium Urban Technologies: Pioneering sustainable urban mobility

Unreasonable Impact company Lithium Urban Technologies is one of India's largest electric corporate transport services, operating a fleet of electric vehicles (EVs) that Lithium estimates have cumulatively prevented more than 50,000 metric tons of carbon dioxide equivalent (MtCO₂e) since 2015, and support businesses to reduce their carbon footprint. Barclays is utilising vehicles from Lithium's EV fleet to transport colleagues to its offices in Pune and Noida.

Following their involvement in Unreasonable Impact, Lithium formed a partnership with another Unreasonable Impact company, Fourth Partner Energy, to set up solar-powered EV charging infrastructure across India under a joint venture, laying the groundwork for the company's growth.

~50,000
metric tons of carbon dioxide equivalent prevented since 2015



Supporting our supply chain

With nearly 9,000^a companies coming from 28 countries supplying us, our supply chain helps our businesses deliver for our customers, clients and colleagues.

Though our businesses are geographically diverse, more than 90%^b of our supplier relationships are concentrated in the UK and the US with many of them having their own extensive supply chains.

Our supply base is diverse across scale, ownership type and structure from privately-held start-ups to publicly-listed multinational corporations. Barclays has sought to reduce the size of its supply chain over recent years and while this has now stabilised, our focus continues to be on embedding preferred suppliers for products and services that ensure adequate geographical coverage and at the same time, create opportunities for diverse suppliers^c which encompass small or medium-sized enterprises and diverse-owned^d businesses.

+ Please see further details on our requirements of external suppliers at: home.barclays/who-we-are/our-suppliers/our-requirements-of-external-suppliers/

Third party operational and reputational risk management

Barclays must effectively manage, monitor and mitigate risks in our supply chain. Our suppliers act on behalf of Barclays and we expect them to make responsible decisions that take our stakeholders' needs into account in both the short and long term. We have therefore put measures in place to encourage high standards of conduct and accessibility across our supply chain.

Barclays expects suppliers to comply with applicable laws, regulations and standards within the geographies in which they operate. Barclays' standard approach to new supplier on-boarding and renewal begins by assessing the services that are being provided and ascertaining the level of risk. Suppliers that are assessed as being at a heightened risk from a business risk perspective are subject to Barclays' Supplier Control Obligations (SCOs).

Suppliers to whom the SCOs apply become managed suppliers and are subject to ongoing management and controls assurance during the term of service. These suppliers are required to complete a pre-contractual questionnaire which captures their adherence to the SCOs and Barclays' Third Party Code of Conduct (TPCoC).

Highlights

8.5%
Global spend with small and medium-sized enterprises and diverse-owned suppliers
(2021: 8%)

93%
Prompt payment rate
(2021: 90%)

Notes

- a Includes non-addressable spend and One Time Vendors (OTV).
- b 90% by invoice value
- c Spending between Barclays and diverse suppliers is considered first-tier spending. Spending between Barclays' first-tier suppliers that can trace subcontracted spend with diverse suppliers on Barclays-specific work is considered second-tier direct spending.
- d For Barclays, diverse suppliers are defined as either size diverse (small and medium sized enterprises) or ownership diverse (majority owned, controlled and operated by protected class groups, such as women, ethnic minorities, LGBT+, persons with disabilities, military veterans and for-profit social enterprises).

Society (continued)

The TPCoC encourages our suppliers to adopt our approach to doing business when acting on behalf of Barclays and details our expectations for matters including environmental management, human rights, diversity and inclusion and also for living the Barclays Values.

Managed suppliers are asked to complete an annual self-certification against the individual topics contained within the TPCoC, as well as providing annual assurance that the controls required of them under the SCOs are maintained and operating effectively.

Where suppliers are unable to meet our expectations under the TPCoC and SCOs, the issue will be escalated and we will look for options to manage the risk, which may include electing not to do business with the supplier.

The TPCoC and SCOs are published on the Barclays public website for all new and existing suppliers to view and are refreshed periodically. For example in 2022, we upgraded our TPCoC to strengthen the expectations relating to environmental, climate change and human rights. In addition, we have included certain key elements from the TPCoC in our General Contracting Terms used with suppliers with a view to strengthening their impact.



Please see further details on our climate change initiatives in our supply chain within our Achieving net zero operations section from page 78 within the Climate and Sustainability report.

Payment on time

Prompt payment is critical to the cash flow of every business, and especially to smaller businesses within the supply chain as cash flow issues are a major contributor to business failure. We aim to pay our suppliers within clearly defined terms, and to help ensure there is a proper process for dealing with any issues that may arise. We measure prompt payment globally by calculating the percentage of third-party supplier spend paid within 45 days following invoice date. The measurement applies against all invoices by value over a three-month rolling period for all entities where invoices are managed centrally.

In 2022, we achieved 93% (2021: 90%) on-time payment to our suppliers (by invoice value), exceeding our public commitment to pay 85% of suppliers on time (by invoice value).

The need to promptly pay our diverse suppliers became even more important during the COVID-19 pandemic. Barclays established a process to expedite the payments for diverse suppliers at this critical time. This process remained in place during 2022.

Barclays is proud to be a signatory of the Prompt Payment Code in the UK and we also work closely with the Small Business Commissioner and other organisations, including Good Business Pays, to educate the public on late payments and the impact they can have on businesses and business owners, and to raise the social conscience of larger businesses who do not pay on time.

We are also calling on other large businesses to join us to make sure their smallest suppliers are paid promptly.

Diversity, Equity and Inclusion in our value chain

Barclays believes that diversity across our value chain expands our ability to attract and harness innovative solutions in the market that complement our own capabilities, while simultaneously creating value for customers and clients, and economic opportunities for wider, under-represented segments of society. This is why we launched our first Global Supplier Diversity (GSD) initiative in 2013.

As part of our GSD initiative in 2022, 8.5% of our global addressable spend^a was placed with small and medium-sized enterprises and diverse-owned businesses as measured by first- and second-tier direct spending. Ownership-diverse businesses are majority owned, controlled and operated by protected class groups, such as women, ethnic minorities, LGBT+, persons with disabilities, military veterans and for-profit social enterprises.

In support of the GSD initiative, Barclays is a corporate member of, and plays an important role with, several of the most prominent domestic and international diverse supplier certification organisations including National Minority Supplier Development Council (nmsdc.org), Women's Business Enterprise National Council (wbenc.org), WeConnect International (weconnectinternational.org), National LGBTQ Chamber of Commerce (nglcc.org), National Veteran Owned Businesses Association (NaVoba.org), Minority Supplier Development UK (msduk.org.uk), Disability:IN (disabilityin.org) and Social Enterprise UK (socialenterprise.org.uk).

In 2021, we pledged to double our spend with black and female-owned businesses by 2025 and to grow overall spend with SMEs and diverse-owned businesses to 10% of Barclays annual global addressable spend. We have made structural changes to improve how we measure and report spending with diverse, Black and female-owned businesses, increasing transparency to stakeholders and driving greater accountability with those authorised to direct spend with third-party providers.

The aim is for service providers, which make up 70% of our addressable spend, to have a diversity and inclusion policy or standard in place by 2025. We are continuing to engage and assess our suppliers and will report against our progress in the future.

Note

^a Addressable spend is defined as external costs incurred by Barclays in the normal course of business where Procurement has influence over where the spend is placed. It excludes costs such as regulatory fines or charges, exchange fees, taxation, employee expenses or litigation costs, property rent.

Investors

Resilient franchise built to deliver double-digit returns

Our strong, diversified business is built to deliver attractive and sustainable returns despite an uncertain operating environment.

C. S. Venkatakrisnan, Group Chief Executive, commented "Barclays performed strongly in 2022. Each business delivered income growth, with Group income up 14%. We achieved our RoTE target of over 10%, maintained a strong Common Equity Tier 1 (CET1) capital ratio of 13.9%, and returned capital to shareholders. We are cautious about global economic conditions, but continue to see growth opportunities across our businesses through 2023."

Highlights^a

£25.0bn

Income
2021: £21.9bn

67%

Cost: income ratio
2021: 67%

£7.0bn

Profit before tax
2021: £8.2bn

10.4%

Return on Tangible Equity
2021: 13.1%

Financial performance in 2022^{a,b}

Barclays delivered a profit before tax of £7.0bn (2021: £8.2bn), RoTE of 10.4% (2021: 13.1%) and earnings per share (EPS) of 30.8p (2021: 36.5p).

Total income increased 14% to £25.0bn versus prior year, with income momentum across all businesses:

Barclays UK income of £7.3bn increased 11% versus prior year, primarily driven by rising interest rates, higher customer spend volumes in UK cards and improved transaction-based revenue in Business Banking. This was partially offset by mortgage margin compression, lower interest earning lending (IEL) balances in UK cards and lower government-backed lending income as repayments continue.

Within Barclays International, CIB income of £13.4bn was up 8% versus prior year. Global Markets income increased 38% to £8.8bn representing the best full year for both Global Markets and FICC on a comparable basis^c. In Corporate, Transaction banking income increased 52% to £2.5bn driven by improved margins and growth in deposits, and higher fee income. This was partially offset by Investment Banking fees declining 39% to £2.2bn due to the reduced fee pool. In CC&P income of £4.5bn was up 35%, reflecting higher balances in US cards which included the impact of the Gap portfolio acquisition^d, client balance growth and improved margins in Private Bank as well as turnover growth in Payments following the easing of lockdown restrictions, which was partially offset by higher customer acquisition costs.

Group operating expenses increased to £16.7bn (2021: £14.7bn) mainly due to higher litigation and conduct charges:

Group operating expenses excluding litigation and conduct charges increased 6% to £15.1bn, reflecting the impact of inflation and the appreciation of average USD against GBP

Litigation and conduct charges were £1.6bn (2021: £0.4bn) including £1.0bn from the Over-issuance of Securities^a.

Credit impairment charges were £1.2bn (2021: £0.7bn net release). The increase in charges reflect macroeconomic deterioration and a gradual increase in delinquencies, partially offset by the utilisation of macroeconomic uncertainty post-model adjustments (PMAs) and the release of COVID-19 related adjustments informed by refreshed scenarios. Total coverage ratio decreased to 1.4% (December 2021: 1.6%) driven by changes in portfolio mix and write-offs. Coverage levels remain strong. Our CET1 capital ratio was 13.9% (2021: 15.1%), within our target of 13-14%, and TNAV per share increased 3% to 295p.

Capital distributions: total dividend for 2022 of 7.25p per share (2021: 6.0p), including a 5.0p per share 2022 full year dividend. Intend to initiate a share buyback of up to £0.5bn, bringing the total share buybacks announced in relation to 2022 to £1.0bn and total capital return equivalent to c.13.4p per share.

Notes

- a 2021 financial and capital metrics have been restated to reflect the impact of the Over-issuance of Securities. See Impact of the Over-issuance of Securities on page 356 and Restatement of financial statements (Note 1a) on page 428 for further details.
- b The 10% appreciation of average USD against GBP positively impacted income and profits and adversely impacted credit impairment charges and total operating expense.
- c Period covering 2014-2022. Pre 2014 data was not restated following re-segmentation in 2016.
- d The Gap portfolio refers to the Gap Inc. US credit card portfolio.

Summary financial review (continued)

Financial metrics

CET1 ratio

CET1 ratio is a measure of the capital strength and resilience of Barclays, determined in accordance with regulatory requirements. 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 is appropriately capitalised relative to the minimum regulatory and stressed capital requirements, and to support the Group's risk appetite, growth, and strategy while seeking to maintain a robust credit proposition for the Group.

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 respective associated risks.

CET1 ratio^a (%)



Performance in 2022

The CET1 ratio decreased to 13.9% (2021: 15.1%) as £5.0bn of attributable profit was offset by returns to shareholders, impacts of regulatory change from 1 January 2022, pension deficit contribution payments and decreases in the fair value of the bond portfolio through other comprehensive income and other capital deductions.

Increases in RWAs, largely as a result of foreign exchange movements, were broadly offset by an increase in the currency translation reserve within CET1.

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

Group RoTE

RoTE measures our ability to generate 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.

Group RoTE^a (%)



Performance in 2022

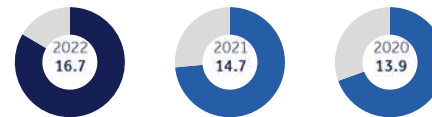
RoTE was 10.4% (2021: 13.1%) from the normalisation of credit impairment charges and higher litigation and conduct costs, partially offset by income growth across all operating divisions.

The Group targets a RoTE of greater than 10.0% in 2023 in line with our medium-term target.

Total operating expenses

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

Total operating expenses^a (£bn)



Performance in 2022

Group operating expenses increased to £16.7bn (2021: £14.7bn) mainly due to higher litigation and conduct charges:

Group operating expenses excluding litigation and conduct *increased 6%* to £15.1bn, *reflecting* the impact of inflation and the appreciation of average USD against GBP.

Litigation and conduct charges were £1.6bn (2021: £0.4bn) including £1.0bn impact from the Over-issuance of Securities.

The Group will continue to drive efficiencies while investing in its franchise where appropriate.

Note

^a 2021 financial and capital metrics have been restated to reflect the impact of the Over-issuance of Securities. See Impact of the Over-issuance of Securities on page 356 and Restatement of financial statements (Note 1a) on page 428 for further details.

Cost: income ratio

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

Cost: income ratio^a (%)



Performance in 2022

The Group cost: income ratio was 67% (2021: 67%), as increased income was offset by higher litigation and conduct charges, primarily from the Over-issuance of Securities.

The Group is targeting a cost: income ratio percentage in the low 60s in 2023 and below 60% over the medium-term.



For further detailed analysis of our financial performance in 2022, please see our full Financial review and our Financial statements on pages 378 to 396, and pages 397 to 423 respectively of Part 3 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

Summary financial review (continued)

Consolidated summary income statement

For the year ended 31 December	2022 €m	Restated ^a 2021 €m
Net interest income	10,572	8,073
Net fee, commission and other income	14,384	13,867
Total income	24,956	21,940
Operating costs	(14,957)	(14,092)
UK bank levy	(176)	(170)
Litigation and conduct	(1,597)	(397)
Total operating expenses	(16,730)	(14,659)
Other net income	6	260
Profit before impairment	8,232	7,541
Credit impairment (charges)/releases	(1,220)	653
Profit before tax	7,012	8,194
Tax charge	(1,039)	(1,138)
Profit after tax	5,973	7,056
Non-controlling interests	(45)	(47)
Other equity instrument holders	(905)	(804)
Attributable profit	5,023	6,205
Selected financial statistics		
Basic earnings per share	30.8p	36.5p
Diluted earnings per share	29.8p	35.6p
Return on average tangible shareholders' equity	10.4%	13.1%
Cost: income ratio	67%	67%

Note

a 2021 financial and capital metrics have been restated to reflect the impact of the Over-issuance of Securities. See impact of Over-issuance of Securities on page 356 and Restatement of financial statements (Note 1a) on page 428 for further details.

Consolidated summary balance sheet

As at 31 December	2022 €m	Restated ^a 2021 €m
Assets		
Cash and balances at central banks	256,351	238,574
Cash collateral and settlement balances	112,597	92,542
Loans and advances at amortised cost	398,779	361,451
Reverse repurchase agreements and other similar secured lending	776	3,227
Trading portfolio assets	133,813	147,035
Financial assets at fair value through the income statement	213,568	191,972
Derivative financial instruments	302,380	262,572
Financial assets at fair value through other comprehensive income	65,062	61,753
Other assets	30,373	25,159
Total assets	1,513,699	1,384,285
Liabilities		
Deposits at amortised cost	545,782	519,433
Cash collateral and settlement balances	96,927	79,371
Repurchase agreements and other similar secured borrowings	27,052	28,352
Debt securities in issue	112,881	98,867
Subordinated liabilities	11,423	12,759
Trading portfolio liabilities	72,924	54,169
Financial liabilities designated at fair value	271,637	250,960
Derivative financial instruments	289,620	256,883
Other liabilities	16,193	13,450
Total liabilities	1,444,439	1,314,244
Equity		
Called up share capital and share premium	4,373	4,536
Other equity instruments	13,284	12,259
Other reserves	(2,192)	1,770
Retained earnings	52,827	50,487
Total equity excluding non-controlling interests	68,292	69,052
Non-controlling interests	968	989
Total equity	69,260	70,041
Total liabilities and equity	1,513,699	1,384,285
Net asset value per ordinary share	347p	339p
Tangible net asset value per share	295p	291p
Number of ordinary shares of Barclays PLC (in millions)	15,871	16,752
Year-end USD exchange rate	1.20	1.35
Year-end EUR exchange rate	1.13	1.19

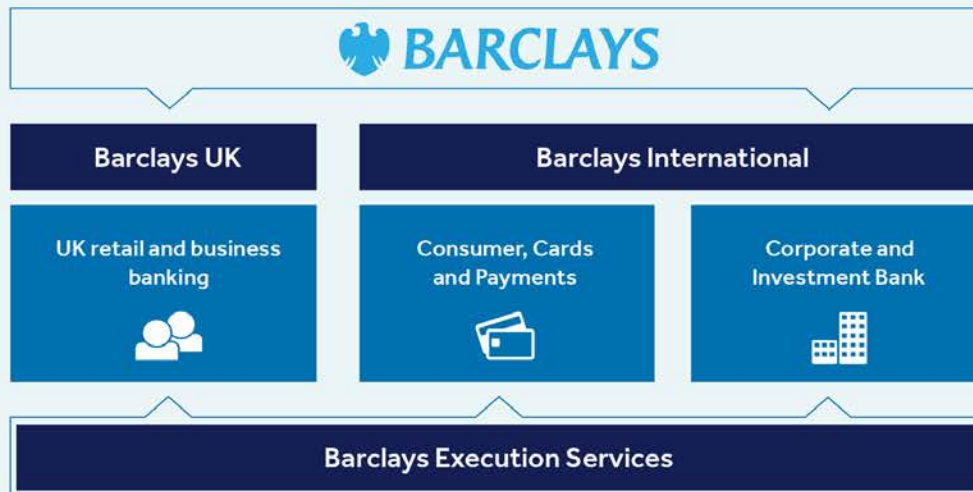
Divisional reviews

About Barclays

We are diversified by business, geography and income type. Our operations include consumer banking and payment services in the UK, US and Europe, as well as a global corporate and investment bank.

Our structure

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



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

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

Barclays International

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

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

The Consumer, Cards and Payments division of Barclays International is comprised of our International Cards and Consumer Bank, Private Bank and Barclaycard Payments businesses.

As part of our International Cards and Consumer Bank, in the US we have a partnership-focused business model, offering credit cards to consumers through our relationships. We also offer online retail savings products, instalment payments and personal loans.

In Germany, we offer multiple consumer products including own-branded and co-branded credit cards, online loans, electronic Point of Sale (ePOS) financing and deposits.

Barclaycard Payments enables businesses of all sizes to make and receive payments.

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.

Barclays Execution Services

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

Divisional reviews (continued)

Barclays UK

Barclays UK consists of our UK Personal Banking, UK Business Banking and Barclaycard Consumer UK businesses.

Highlights

- 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 where we are

£7.3bn

Income
2021: £6.5bn

£2.6bn

Profit before tax
2021: £2.5bn

+11

Barclays UK NPS
2021: +11

£4.3bn

Operating expenses
2021: £4.4bn

18.7%

Return on Tangible Equity
2021: 17.6%

+12

Barclaycard NPS
2021: +4

Market and operating environment

Against a challenging economic and political backdrop this year, customer confidence in both the UK economy and its impact on their personal finances fell. Inflationary pressures have put significant strain on our customers in the UK and elsewhere, with many adapting to address these challenges, from changing their spending habits to paying down higher cost debts. As a bank, we have an important duty to play in society, and use our expertise to help people with their financial wellbeing, providing them with the support they need to navigate these uncertain times, including help with money management and budgeting.

There continues to be a significant shift towards digital adoption and demand for digital financial services to meet day-to-day needs. The changes in competition over the past decade makes addressing these evolving customer expectations even more pertinent. We aim 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. Whilst we have seen an increase in the number of customers moving to digital, there remains a cohort of customers who are digitally less confident, and require more traditional points of engagement.

UK regulation continues to evolve, seeking to provide higher levels of protection for the consumer. The Consumer Duty, due to come into force in July 2023, is focused on ensuring that firms deliver good customer and client outcomes through: ensuring those products and services provide fair value; enabling informed decision-making and providing support that meets the needs of customers and clients. These key principles align with the Barclays UK Purpose and strategy, and we are committed to ensuring that the Consumer Duty is demonstrably embedded throughout the organisation.

Focus areas

Providing exceptional service and insights to customers:

We aim to provide simple, relevant and prompt services and propositions for our customers so they have greater choice and access to the support they need to make their money work for their individual circumstances.

Driving technology and digital innovation:

We continue to invest in our digital capabilities, upgrading our systems, moving to cloud technology and implementing automation of manual processes. This is intended to allow us to deliver a more personalised digital experience, reduce cost and create additional capacity to support more of our customers. It aims to give us the capability to drive service and improve financial inclusion.

Continuing to grow our business:

We are pursuing partnership and acquisition opportunities to build and deliver better propositions and services, while continuing to innovate across our Barclays platforms to unlock new and sustainable income streams. In the unsecured lending space, in particular, we are working with partners such as Avios, to adapt to evolving customer demands as they look for flexibility, convenience and safety from their lending solutions - driving a shift from overdrafts, towards reward credit cards and instalment lending.

Evolving our societal purpose:

We are working across the communities in which we serve to support financial inclusion and recognise our role in supporting the transition towards a low-carbon economy. We are reinventing how we support customers in the community and also seeking to preserve access to banking for consumers and businesses over the long term.

Divisional reviews (continued)

Year in review

Barclays UK delivered a RoTE of 18.7% (2021: 17.6%), as the continued evolution into a next generation, digitised consumer bank delivered strong returns and cost efficiencies, which combined with rising interest rates, contributed to a cost: income ratio of 60% (2021: 68%).

This year, the UK has seen its fastest increase in inflationary pressure on household budgets in 40 years, and we have focused on making sure our customers have the support they need to navigate these challenging times. This includes our Money Management Hub, which provides tools and information directly to our customers, giving them a better grasp of their spending behaviours and the steps they can take to improve their financial wellbeing.

We have been focused on helping customers boost their financial resilience in the long term, by encouraging healthy saving habits through the launch of our Rainy Day Saver account, as well as providing one-to-one support for customers experiencing financial hardship through our expert financial assistance teams.

We continue to focus on improving the overall customer experience by identifying and supporting the removal of the root causes of customer complaints. Complaints in 2022 have further reduced, with volumes decreasing 17% year on year excluding PPI complaints, or decreasing 18% when looking at total complaints. This has been achieved through the continued stability of our platforms, alongside regular and direct communications with customers during times of change, particularly in relation to our service model.

We have seen acute pressures in areas impacted by economic events, such as an increase in complaints related to mortgages as customers rush to find the right rates for them in light of Bank of England interest rate changes.

The Net Promoter Score (NPS) for Barclays UK was relatively stable throughout 2022 at +11.

This reflects the returning capability to service our customers after previous declines during the pandemic. However, we recognise that we need to continue to push forward our initiatives to drive further improvements in customer experience, including improving and expanding our digital journeys. Barclaycard UK NPS continued to trend upwards throughout 2022 to +12, in line with the market, as usage and availability of credit became more important to customers.

We continue to evolve our physical service model, expanding Barclays Local - an alternative branch presence for those who need in-person support - which includes mobile banking vans and pop-up banking sites in community centres, libraries and business hubs. This transformation reflects the reality of the rapid digitisation of transactional banking, as customers demand more convenient, simpler ways to bank that fit their lives.

These new formats seek to ensure we leave no-one behind and remain available, in person, to support the small proportion of customers unable to self-serve digitally, who value physical presence when things go wrong or to support them through vulnerability.

Supporting vulnerable customers across all of our Barclays channels remains a key focus. We have trained over 16,000 frontline colleagues to better recognise the subtle signs of vulnerability when speaking to customers who might need additional support, and are encouraging them to allow us to put an indicator on their banking records to ensure that Barclays, holistically, understands their needs and can better serve them across all their touchpoints as a result. Whilst we have made progress, we have more to do to embed this with colleagues, including further training and support materials.

Barclays mobile banking vans

We are working to reduce our own emissions at Barclays and have recently introduced our first fully electric mobile banking van. Vans are just one of the ways Barclays provides an accessible in-person service, supporting customers in remote and rural locations, as well as growing our business in strategic locations.

Since launching our first van in August 2020, we've supported c.9,500 customers across 238 locations such as hospitals, schools, markets and retail parks. We are at the start of this journey, introducing another six electric mobile banking vans in early 2023, as part of our ambition to transform our entire existing fleet of vehicles in the UK to electric by 2025.

c.9,500
customers supported
since launching our first van



Further details on mobile banking vans and how to book an appointment can be found at: events.uk.barclays/barclaysvan/

Divisional reviews (continued)

As part of the changes to our physical branches, we are working to ensure that customers who rely on cash can still access it and get the support they need. Barclays is a member of the Cash Action Working Group (CAG), working with industry banks and consumer groups, the Post Office and LINK, in an agreement on shared services such as banking hubs, helping to ensure long-term cash availability across the UK.

We also rolled out a new Cashback Without Purchase service, in partnership with Barclaycard Payments, creating thousands of new locations for consumers to withdraw cash from shops, cafes, restaurants and other small businesses for free. We anticipate that it will also help local community cash recycling and boost business footfall.

We continue to invest in smarter technologies to improve the customer and colleague experience, particularly for our digital journeys. For example, our mortgage customers can now manage their mortgage through the Barclays app, including switching onto a new rate up to 180 days before their current rate expires instead of 90 days previously, and have the ability to apply for additional borrowing. This provides customers with greater choice of channel, and avoids the need for an appointment to be made when advice is not required. In 2022, our active mobile customers grew to 10.5 million and we hit a record of 15.4 million logins in a single day, demonstrating the impact of going digital-first.

We have delivered a regular programme of customer education on fraud, scams and mules alongside our new 'Scan for a Scam' campaign, leveraging social media and influencers to ensure as broad a reach as possible. We have also invested in upskilling and educating colleagues across economic crime, and as a result, complaints relating to fraud, scams and mules have reduced by 17% versus 2021.

We continued to unlock new and sustainable sources of income, which also provide innovative propositions for our customers. We have reached an agreement to acquire Kensington Mortgage Company, a specialist mortgage lending platform focused on providing mortgages via brokers to customers with complex incomes, together with a portfolio of UK mortgages. This will complement our existing residential mortgage offerings and give us the chance to support even more customers. Regulatory approval has been obtained and the transaction is expected to complete in Q1 2023. Within our unsecured lending proposition, we are also working with partners to provide differentiated solutions for our customers, helping them make the most of their day-to-day spending, including launching two new co-branded credit cards this year in partnership with Avios.

We continue to work on green finance products, recognising that uptake is relatively small but growing, reflecting economic constraints and the current immaturity of the policy environment.

This year we expanded our green mortgages proposition to support the transition to a low-carbon economy, launching the Barclays Green Home Buy-to-Let Mortgage product. We also launched a Greener Home Reward pilot, providing eligible UK mortgage customers with cash rewards when retrofitting their homes, for example, when installing double or triple glazing, solar panels or insulation.

For our business customers, we continued to develop our partnership with Propel, helping to provide financing for businesses wanting to invest in renewable assets. To support this, in 2022, we launched a reduced interest rate proposition incentivising the purchase of electric vehicles.

Looking ahead

Our aim remains putting customers and clients at the heart of the decisions we make, helping to ensure good customer outcomes for every customer and client. We are continuing to adapt our service model for customers, creating a more efficient, more resilient and seamless service at a pace that suits our customers' expectations. We're also investing significantly in growing our financial assistance teams, to be on hand should customers and businesses run into some form of financial difficulty and need specialist support.

More interactions are moving to digital and virtual channels, with customers demanding better digital services and fewer customers using our branch network. Where traditional branches may have been the most appropriate point of engagement in the past, we are looking to increase the range of more flexible options for our customers; delivering human support for those customers who are digitally less confident.

This will continue to include physical branches, complemented with flexible banking pop-ups in community spaces, banking pods and mobile banking vans. We continue to ensure greater accessibility of cash in local and remote areas through our work with local businesses and the Post Office.

We are building partnerships in the open market and work across Barclays to deliver additional value for our customers and businesses through our size and scale, and continue to invest in digital platforms, remove unnecessary processes and costs and aim for a seamless self-service for customers.

We are acutely aware of increasing consumer expectations on climate and sustainability, and we are committed to supporting our customers and clients through the transition to a low-carbon economy with products and propositions which support greener choices.



Divisional reviews (continued)

Barclays International: Corporate and Investment Bank

Within Barclays International, the Corporate and Investment Bank comprises Investment Banking, Corporate Banking and Global Markets, aiding money managers, financial institutions, governments, supranational organisations and corporate clients to manage their funding, financing, strategic and risk management needs.

Highlights

- Our Global Markets business provides a broad range of clients with market insight, execution services, tailored risk management and financing solutions across equities, credit, securitisations, rates and foreign exchange products.
- Investment 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 issuance services.
- Corporate Banking provides working capital, transaction banking (including trade and payments), and lending for multinational, large and medium corporates, and for financial institutions.

Measuring where we are

£13.4bn

Income
2021: £12.3bn

£4.3bn

Profit before tax
2021: £5.6bn

6th

Investment Banking
global fee ranking
(2021: 6th) Dealogic ranking^a

£8.9bn

Operating expenses
2021: £7.0bn

10.2%

Return on Tangible Equity
2021: 14.3%

6th

Global markets revenue rank
Largest non-US bank (2021: 6th)
Based on external reported
Markets revenues^b

Market and operating environment

We saw global inflationary pressures and responsive monetary policy action in the form of interest rate increases by central banks across the globe have a profound effect on financial markets in 2022. Bond markets in particular were affected, with growth in yields not seen for decades. Many global equity markets were off double digit percentages in the context of these macro drivers.^a

As a consequence of this macro instability, global capital markets retreated to pre-pandemic levels from their record highs in 2021. Market volatility, inflation and geopolitical uncertainty created headwinds for dealmaking across all products, with significant declines in High Yield bonds (-80%) and Initial Public Offerings (-70%).^a

Across our CIB businesses, the opportunities presented by the climate transition and the broader sustainability agenda continued to grow despite challenging market conditions.

Focus areas

Investing in high-growth sectors and maintaining high returns in Investment Banking:

We are continuing to invest in high-growth sectors such as Technology and Healthcare, and we aim to sustain the investment we have made in our high-returning, fee-driven M&A and Equities businesses.

Becoming an electronic-first Global Markets business, growing in targeted areas:

In Global Markets, we are prioritising service excellence for our clients through simplification of our systems architecture, investing in Prime Brokerage, further bolstering our intermediation businesses and focusing on financing solutions to build a diversified portfolio that performs across the economic cycle.

Capturing opportunities as we transition to a low-carbon economy:

We aim to support clients who want to make their business models more sustainable, and use our scale and capital markets expertise to mobilise capital for the transition to a low-carbon economy.

Improving integration:

Across our businesses we are focused on serving clients in an integrated way. Our efforts to broaden and deepen our CIB offering across Europe will form an important part of this effort.

In Corporate Banking we will continue to focus on delivering enhancements to how we engage with clients through our digital proposition and will continue to build our capabilities in the US and Europe. Broadly, we are focused on being a leading provider of digitally-enabled lending and transaction banking services to our clients in our chosen markets across the globe.

Notes

- ^a Dealogic for the period covering 1 January 2021 to 31 December 2022.
- ^b Market share for Barclays is based on our share of top 10 banks' reported revenues. Peer banks include BoA, BNP, CITI, CS, DB, GS, JPM, MS and UBS.

Divisional reviews (continued)

Year in review

Corporate and Investment Bank RoTE was 10.2% (2021: 14.3%), a strong return in a year with challenging market conditions. This performance reflected the benefits of income diversification and continued investment in sustainable growth, partially offset by the net impact of the Over-issuance of Securities.

Investment Banking revenue declined compared with a strong performance in 2021, driven by significant declines in the overall market opportunity. We are ranked sixth in overall global fee share for the third year running and are top five in Debt Capital Markets^a.

We continued to invest in our Investment Banking coverage of high-growth sectors, including expanding our Sustainable Financing business. Founded in 2019, our sustainability-focused investment banking effort last year continued to advise and raise capital for companies seeking to address environmental or social challenges, helping our firm deliver on its strategic priority of assisting our clients with the transition to a low-carbon economy.

Our Global Markets business acted as a market-maker and liquidity provider to clients across the globe, playing an important role in helping them to find opportunities and manage risk during a continued period of heightened market disruption. During a year which experienced several distinct episodes of volatility, we materially increased revenues and captured share relative to our peers.

The importance of business diversification across Global Markets was evidenced by the gains in our FICC businesses, which helped to offset declines in our Equities business.

We continued to invest in enhancing our Global Markets digital proposition, including our electronic trading capabilities and our digital self-service platform, as well as our financing platforms across Fixed Income and Equities.

In Corporate Banking, revenues grew off the back of strong interest income given the rising interest rate environment, although this performance was partly offset by rising impairments owing to the increasingly challenging business environment.

2022 was defined by an increased focus on capital discipline, including increased selectivity around risk taking and a streamlined and consistent approval process across all of CIB lending.

We made significant progress in 2022 in expanding our international capabilities, particularly with the build out of our Corporate Banking businesses in the US and Europe. We have also continued to invest in strengthening our digital capabilities, including driving the adoption of iPortal to provide our clients with seamless access to our transaction banking product set.

Our Research team continued to deliver differentiated insights to our clients, acting as a driver of thought leadership for the CIB. We sought to further drive the ESG agenda in support of our climate strategy in 2022, through establishing a new Sustainable and Thematic Research team, focused on identifying multi-sector thematic trends that could shape the future business environment, and partnering with our Data and Investment Science teams to bring data-driven insights to our clients.

Note

^a Dealogic for the period covering 1 January 2020 to 31 December 2022.

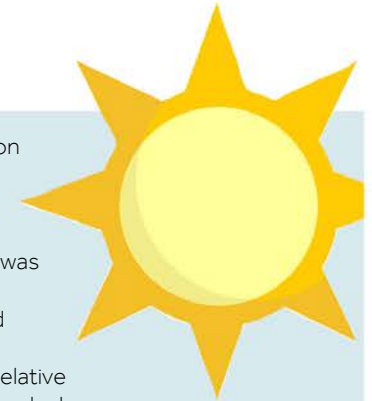
Powering Portland General

Bringing together experts from its Power & Utilities, Equity Capital Markets and Sustainable Capital Markets teams, in October 2022 Barclays structured a Green Use of Proceeds equity offering for Portland General Electric, which saw the issuance of 11.615 million shares of common stock.

This unique structure gives investors publicly tradable common shares, whose proceeds are earmarked for investment toward its decarbonisation goals.

Investor reaction was strong for the nearly \$500 million offering, which was multiple times oversubscribed and priced at a tight discount relative to the size of the deal. The proceeds of this offering are designated to the construction a 311 MW wind energy facility, as well as additional renewable and battery storage projects.

 For further information go online at barclayscorporate.com



Looking ahead

Across our Corporate and Investment Bank, we remain focused on maintaining our client-centric approach and developing opportunities to grow our business and increase returns. We 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.


In Global Markets we are focused on further developing our electronic trading-led business, investing in low touch and machine learning capabilities to drive efficiency and scale and better serve the needs of our investor base. We will continue to invest in growth in Securitised Products, Emerging Markets, and parts of our Rates and Foreign Exchange businesses.

Investment Banking continues to invest in high-priority sectors, particularly in Healthcare and in Technology in the US and Europe. More broadly, we aim to build on

momentum and improve revenue contribution from our equity and advisory offerings.

Aligned to our new climate-related target to facilitate \$1trn of Sustainable and Transition Financing, we will continue to invest in creating a centre of excellence for sustainable finance, and broaden the range of ESG capital market product types we offer across more client segments.

In Corporate Banking, we continue to monetise investments in our European and US offering with an emphasis on growing our Transaction Banking business. Our focus will remain on steadily improving our credit portfolio returns by reallocating risk weighted assets to higher-returning opportunities. We continue to invest in our trade, payments and wholesale lending offerings and look to further enhance our digital proposition.

 For further information go online at barclayscorporate.com

Divisional reviews (continued)

Barclays International: Consumer, Cards and Payments

The Consumer, Cards and Payments division of Barclays International is comprised of our International Cards and Consumer Bank, Private Bank and Barclaycard Payments businesses.

Highlights

- As part of our International Cards and Consumer Bank, in the US we have a partnership-focused business model, offering co-branded and private-label credit cards to consumers through our relationships with some of America's well known brands, including American Airlines and Gap Inc. We also offer online retail deposits products (savings and certificates of deposit), personal loans, instalment payments, and point-of-sale financing.
- In Germany, we offer multiple consumer products, including own-branded and co-branded credit cards, online loans, electronic Point of Sale (ePOS) financing and deposits.
- Barclaycard Payments enables businesses of all sizes to make and receive payments.
- 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 where we are

£4.5bn

Income
2021: £3.3bn

£0.7bn

Profit before tax
2021: £0.8bn

+44

US Consumer Bank Care tNPS
2021: +43.4

£3.1bn

Operating expenses
2021: £2.4bn

10.0%

Return on Tangible Equity
2021: 15.0%

74.1%

CC&P US customer digital engagement^a
2021: 71.8%

Market and operating environment

We continue to see recovery in consumer activity and spending post the COVID-19 pandemic. As cash use declines and online transactions grow, the shift towards digital services and payments continues.

We are seeing a rise in the popularity of alternative payment methods such as Buy Now Pay Later and Open Banking, not only online but also face to face, as consumer behaviour continues to evolve and the need for omni-channel integrated solutions increases.

The rise in inflation and the interest rate environment is driving changes in consumer behaviour, particularly around demand for personal loans and the impact of the increasing cost of borrowing.

Market uncertainty has moderated Private Bank clients' appetite to invest in regular equity-related strategies while the comeback of significant positive fixed income yields has created strong tailwinds for alternate strategies. In parallel, higher market volatility is supporting strong investment in transactional activity and revenue as well as supporting demand for private market funds.

With an increasing regulatory focus on consumer protection (including the FCA's Consumer Duty due to come into force in July 2023), we continue to provide customers and clients with the information and tools to select the right products and services best suited for their needs. This is at the foundation of our business, ensuring we act to deliver good outcomes and avoid harms for our customers and clients.

Focus areas

We strive to deliver next-generation consumer financial services, offering best-in-class finance, private banking and payment solutions.

Responding to changing consumer behaviour:

We continue to invest in the digitalisation of our businesses, delivering new products and capabilities to reflect growing trends. This includes focusing on scaling our existing e-commerce solutions to add further value to our digitally engaged customers, small businesses and corporates.

Building a more efficient and seamless business:

We are accelerating our automation agenda to drive operational efficiency and create a more seamless, digital customer experience.

Winning new partnerships:

We are focused on broadening relationships with our existing partners and pursuing new partnerships, particularly in the US. We are also building capabilities to offer new financing solutions across all our markets.

Growing in key markets:

We are continuing to drive growth in our strategic home and international markets. In 2023 the planned integration of the Private Bank and Barclays UK Wealth and Investment Management business will strengthen our position in the UK, while we continue to deepen our existing footprint outside the UK and further strengthen and expand our product capabilities.

Note

^a Excluding new Gap customers.

Divisional reviews (continued)

Year in review

CC&P delivered a RoTE of 10% (2021: 15%), and continued to invest for growth while absorbing a provision for customer remediation costs relating to legacy loan portfolios.

- We successfully launched a new long-term programme with Gap Inc., the largest specialty apparel company in the US^a, to issue both co-branded and private label credit cards and also renewed our existing partnership agreement with Carnival Cruise Lines, among other partners. Both are good examples of how we maintained our position as a top 10 credit card issuer^b in the US.
- We continued to invest in our digital servicing model, reaching a digital active user rate of 74.1%^c. We have seen a slight improvement on the Care Net Promoter Score^d in the US Consumer Bank, reaching +44, versus +43.4 in 2021.

Launching Gap Inc. credit card programme

The Barclays US Consumer Banking business is now the exclusive credit card issuer for Gap Inc.'s family of purpose-led, lifestyle brands following the successful migration of nearly 10 million existing card members and doubled the size of our US customer base.

Delivering next generation retail digitised consumer financial services is a strategic growth priority for Barclays, and following a year-long effort to build, test and launch the new programme, Gap, Old Navy, Banana Republic and Athleta customers can now apply for and use a new, Barclays-issued credit card through multiple digital and online channels and in over 2,100 retail stores across the United States and Puerto Rico.



- Our Payments business maintained its position as one of the foremost payment processors in Europe^e. We secured new client relationships, and retained others, including Ryanair and Getir UK. We've also added to our capabilities with the launch of Smartpay Touch, our new card acceptance solution as well as Cashback Without Purchase, a new service enabling UK consumers to withdraw cash for free from thousands of local retailers and small businesses.
- In Germany, we continue to be a leading provider of consumer finance^f through our credit cards and personal loans business. We relaunched our Deposits Open Market offer to further diversify our revenue structure.
- The Private Bank continued to drive its market strategy, deepen its footprint in established markets, while monetising recent investments in Asia and EEA through new client acquisition. A Referral Agreement was also undertaken with Credit Suisse, enabling the Private Bank to grow its business in Africa. We continued to drive enhancements to client experience, as well as product offering, including asset management capabilities.

Financial inclusion in our US consumer business

The Community Reinvestment Act (CRA) is a US federal law designed to encourage financial institutions to help meet the needs of borrowers in all segments of their communities, including low and moderate-income neighbourhoods. Barclays meets the CRA requirement by supporting and investing in local Community Development Financial Institutions (CDFIs), small-medium businesses and non-profits.

The success of CDFIs, small-medium businesses and non-profits are key to a thriving community. Barclays has predefined goals with specific performance targets that we must meet each year in order to be considered in compliance with CRA guidelines. Barclays has met its CRA goals for 2022, evidencing that we are continuing to invest in the communities where we live, work and serve.

Barclays Bank Delaware (BBDE) is committed to fair and equitable treatment of all prospective and existing customers without regard to race, sex, colour, national origin, religion, age, marital status, disability, sexual orientation, military status, gender identity, familial status, Limited English Proficiency, receipt of public assistance income, and good faith exercise of rights under the Consumer Credit Protection Act.

Looking ahead

Within Consumer, Cards and Payments, we continue to invest in building our technology and digital capabilities, to meet consumer demand and responding to an increasingly difficult economic environment.

We aim to further scale our Payments business. Our goal is to deliver a world-class unified payments experience for customers, by combining payments and banking technology.

We continue to deepen our relationships with corporates by collaborating with the Corporate and Investment Bank; grow our offering to small businesses; and evolve with our multinational customers.

In Germany, we are leveraging proprietary and partner distribution channels, and developing seamless onboarding and underwriting capabilities, to grow our core business.

We believe Barclays' core Values of Respect, Integrity, Service, Excellence, and Stewardship reflect our commitment to fair lending and fair treatment principles and practices. We strive to develop long-term relationships by providing products and services that meet prospective and existing customer needs, avoid causing prospective and existing customer detriment or harm, and place our prospective and existing customers' interests at the heart of our strategy, planning, and decision-making processes.

Notes

- a Gap Inc., 2020.
- b Nilson Report #1204 (mid-year ranking).
- c Excluding Cap customers.
- d Care tNPS provides an accurate measure of customer sentiment across our Fraud, Dispute, Credit and Care channels and replaces the relationship NPS reported in the 2021 Annual Report.
- e Nilson Report #1197 (May 2022).
- f Deutsche Bundesbank, Advanzia Bank S.A., plus own calculations.

As we focus on our partnership-centric business model in the US, we intend to scale partnership in 2022 is helping to accelerate our entry into the US retail sector.

The Private Bank remains focused on targeted markets, deepening our client footprint in the UK, Europe, the Middle East and Africa, and Asia. The appetite for sustainable investing carries on growing at pace and we continue to manage sustainable portfolios for a broad range of clients. We intend to enhance product capabilities and drive better client experiences by improving end-to-end platform automation and delivering our digital agenda. We continue to make good progress in integrating BUK's Wealth and Investment Management business with our Private Bank to provide a more seamless client experience.

[+ For more information go online at home.barclays](https://www.barclays.com)

Managing risk

Prudently managing risk for stakeholders

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 (ERMF)

At Barclays, risks are identified and overseen in accordance with 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.

Given the increasing risks associated with climate change, and to support the Group's ambition to be a net zero bank by 2050, Climate risk became a Principal Risk at the start of 2022.

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 (i.e. to ensure business activities are aligned with expectations and are of an appropriate scale relative to the risk and reward of the underlying activities). During 2022, 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. Employees in the first line have primary responsibility for their risks and their activities are subject to oversight from the relevant parts of the second and third lines.

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.

The Legal function provides support to all areas of the business and is not formally part of any of the three lines of defence. The Legal function is responsible for the identification of all legal and regulatory risks. Except in relation to the legal advice it provides or procures, it is subject to second line oversight with respect to its own operational and conduct risks, as well as with respect to the legal and regulatory risks to which the Group is exposed.

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, which are derived by mapping risk drivers, identified through horizon scanning, to risk themes, and similar analysis.



To support the Group's ambition to be a net zero bank by 2050, Climate risk became a Principal Risk at the start of 2022.

During 2022, Barclays ran a stress test to assess its capital adequacy and resilience under a severe but plausible macroeconomic scenario. The internal stress test was informed by the Bank of England 2022 regulatory stress test featuring high and persistent inflation, rising global interest rates, a severe UK recession brought by falling household real incomes, job losses leading to a high unemployment rate, energy and cost of goods shocks, increasing corporate defaults, and severe house and real estate price shocks. For further details of the stress test, please refer to page 59.

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



For further detailed analysis of approach to risk management and risk performance, please see our full Risk review on pages 266 to 377 of Part 3 of the Annual Report

Managing risk (continued)

The Enterprise Risk Management Framework defines nine Principal Risks

Principal Risks	Risks are classified into Principal Risks, as below	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 to identify and evaluate Market risk are used to capture exposure to Market risk. These are measured, limited 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 and stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This also 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; and stress testing.
Climate risk	The impact on Financial and Operational Risks arising from climate change through physical risks, risks associated with transitioning to a low-carbon economy and connected risks arising as a result of second order impacts on portfolios of these two drivers.	The Group assesses and manages its Climate risk across its businesses and functions in line with its net zero ambition by monitoring exposure to elevated risk sectors, conducting scenario analysis and risk assessments for key portfolios. Climate risk controls are embedded across the financial and Operational Principal Risk types through the Barclays Group's frameworks, policies and standards.
Operational risk	The risk of loss to the Group from inadequate or failed processes or systems, human factors or due to external events (for example, fraud) where the root cause is not due to credit or market risks.	The Group assesses and manages its Operational risk and control environment across its businesses and functions with a view to maintaining an acceptable level of residual risk.
Model risk	The potential for adverse consequences from decisions based on incorrect or misused model outputs and reports.	Models are evaluated for approval prior to implementation, and on an ongoing basis.
Conduct risk	The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Group's products and services.	The Conduct Risk Management Framework (CRMF) sets out the control objectives and minimum control requirements which must be implemented to manage Conduct risk. A selection of tools is mandated in the CRMF and Barclays Control Framework to support with the assessment of conduct risks, whilst the governance of Conduct risk is fulfilled through management committees and forums with clear escalation and reporting lines to Board-level committees.
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 to be built with customers and clients, colleagues and broader society. Each business assesses Reputation risk using standardised tools and the governance is fulfilled through management committees and forums, clear escalation and reporting lines to the Group Board.
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.	Legal risk is managed by the identification of legal risks by the Legal function, the engagement of the Legal function in situations that have the potential for legal risk, and the escalation of legal risk as necessary.

Viability statement

Consideration of the long-term viability of Barclays

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 2023. 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 an appropriate horizon over which to consider the impacts of new regulations 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 below for further details), 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 its material regulatory requirements

- reviewed how those risks are identified, managed and controlled (further detail provided on pages 56 to 57)
- considered the WCR which provides an assessment of forecast CET1, leverage, Tier 1 and total capital ratios, as well as the build-up of minimum requirement for own funds and eligible liabilities (MREL) up to the end of 2025
- considered the Group's Medium Term 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 a specific internal stress scenario (see below for further detail)
- considered the stability of the major markets in which it operates, supply chain resilience and material known regulatory changes to be enacted
- considered the sustainability of any future capital distributions
- considered scenarios which might affect the operational resilience of the Group
- considered factors that may inform the impact of a severe recession in major economies with affordability pressures on consumers from high inflation and rising interest rates, energy supply pressures, and financial markets instability
- considered the impact of the Group's ambition to be a net zero bank by 2050 and support its clients' transition to a low-carbon economy, including the need to continue to incorporate climate considerations into its strategy, business model, the products and services it provides to customers and its financial and non-financial risk management processes

- reviewed the draft statutory accounts and 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 479 to 484.

The Group's Medium Term Plan is based on assumptions for macroeconomic variables such as interest rates, inflation, unemployment, which have been consistently applied for the purpose of forecasting the Group's capital and liquidity position and ratios, as well as any credit impairment charges or releases.

Assessment of the Group's risk profile

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. Limits are set to control risk appetite, 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 269 to 281 in Part 3 of the Report.

Viability statement (continued)

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 during the time frame of the assessment but in some instances the risks may continue beyond this time frame.

These particular risks include:

- the potential impact of: (i) further rises in cost of living pressures including inflation and interest rates, particularly in developed markets and the possibility of elevated unemployment; (ii) a resurgence in COVID-19 and/or restrictions on movement imposed locally to combat outbreaks or new strains; and (iii) further trading disruption between the UK and the EU and general supply chain disruption. These risks may result in an adverse impact on profitability and capital through increased costs and increased expected credit losses
- failure to successfully adapt the Group's operations and business strategy to address the financial risks resulting from both: (i) the physical risk of climate change; and (ii) the risk from the transition to a low-carbon economy
- 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 adverse impacts on capital, liquidity and funding
- sudden shocks or geopolitical instability in any of the major economies in which the Group operates which could alter the behaviour of depositors and other counterparties, affect the ability of the firm to maintain appropriate capital and liquidity ratios or impact the Group's credit ratings

- evolving operational risks (notably cyber security, 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 in respect of 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 a specific internal stress scenario.

The latest macroeconomic internal stress test, conducted in Q4 2022, was informed by the Bank of England 2022 regulatory stress test with the following narrative:

- high and persistent inflation (peaks at 17%) coupled with rising global interest rates (peak 6% UK, 6.5% US) in an attempt to curb inflation drives considerable affordability pressures on customers
- severe UK recession brought by falling household real incomes, job losses leading to 8.5% unemployment rate, declining economic confidence and tight financial conditions. Other major economies experience very similar shocks

- cost of goods increase coupled with energy price inflation at a time of falling demand putting significant pressure on small and medium businesses, increasing their default rates
- residential house prices in the UK decline 31%. Commercial real estate prices are stressed even more, at 45%, reflecting more cyclical occupier demand and contagion effects from the financial markets.

The above stress test outcome for the macroeconomic internal stress test assesses the Group's full financial performance over the horizon of the scenario in terms of profitability, capital, liquidity and leverage to ensure the Group remains viable.

Climate risk was not part of the internal stress test this year but is being explored separately as part of a pilot scenario analysis assessing tail event climate risks.

Additionally, the Board considered the results of the following external climate-related stress tests:

- The BoE announced in Q2 the results of the Climate Stress Test undertaken in 2021 which considered the impact of three climate scenarios covering both 'transition' and 'physical' risks. This was an exploratory exercise across the banking industry with a focus on the banking book. The aim was to size financial exposures to climate-related risks, understand the challenges to business models from these risks and enhance management of climate-related financial risks. The exploratory nature of the exercise was specifically stated, acknowledging climate stress testing capabilities are in their infancy hence it was not used to set capital requirements.
- in addition, Barclays Bank Ireland undertook the ECB Climate Risk Stress Test (CRST), an exploratory exercise designed to test both the

Bank's Climate Risk Framework as well as its financial resilience to climate risk.

The Group-wide stress testing framework also includes internal reverse stress testing assessments, conducted once a year, which aim to identify the circumstances under which the Group's business model would no longer be viable, leading to a significant change in business strategy and to the identification of appropriate mitigating actions. Examples include extreme macroeconomic downturn ('severely adverse') scenarios, or specific one-off events, covering both operational risk and capital/liquidity items. Reverse stress testing is used to help support ongoing risk management and is an input to the Group's recovery planning process.

Legal proceedings, competition, regulatory and remediation/redress conduct matters are also assessed as part of the stress testing process. Capital and LRA 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.

The results of the macroeconomic internal stress test were approved by the Board Risk Committee and allowed the Board to approve the Medium Term Plan as being able to sustain a severe but plausible scenario and remain within Risk Appetite.

Based on current forecasts, taking account of material 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

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 have a holistic view of our performance.

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

Non-financial information	Section	Pages
Business model	Business model	10-11
Policies	Non-financial information statement	60-62
Principal Risks	Managing risk	56-57
	Principal Risk management	282-295*
	Risk performance	296-369*
Key performance indicators	Key performance indicators	23-25

* in Part 3 of the Report

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-resource-hub/reporting-and-disclosures/) that support our key outcomes for all of our stakeholders. Performance against our strategic non-financial performance measures, as shown from page 23, 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 statements

Statement or policy position

Description

Information to help understand our Group and its impact, policies, due diligence and outcomes

Climate Change statement

The Barclays Position on Climate Change sets out our approach based on a consideration of all risk and market factors to certain energy sectors with higher carbon-related exposures or emissions from extraction or consumption, or those which may have an impact in certain sensitive environments or on communities, namely thermal coal mining, coal-fired power generation, mountain top coal removal, oil sands, Arctic oil and gas and hydraulic fracturing ('fracking'). The statement outlines Barclays' focus on supporting our clients to transition to a low-carbon economy, while helping to limit the threat that climate change poses to people and to the natural environment.

- See our Climate and Sustainability report from page 69 in Part 2 of the Annual 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 agribusiness practices while respecting the rights of workers and local communities.

- See the managing impacts in lending and financing section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.

World Heritage Site and Ramsar Wetlands statement

We understand that industries can impact areas of high biodiversity value including United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Sites and Ramsar Wetlands. Our statement outlines our client due diligence approach to preserving and safeguarding these sites.

- See our Nature and biodiversity section from page 119 within our Climate and Sustainability report in Part 2 of the Annual Report.

Environmental risk in lending

Barclays is committed to managing the direct and indirect environmental risks associated with commercial lending. Environmental risk is regarded as a credit risk driver, and is considered in the Barclays credit risk assessment process through our Environmental Risk Standard. A dedicated Environmental and Climate Risk team is responsible for advising on environmental and climate related credit risks to Barclays associated with particular transactions and industries. Environmental risks in credit are governed under the Client Assessment and Aggregation Policy and Standard, which are embedded within the Wholesale Credit Risk Control Framework, which is part of the Enterprise Risk Management Framework.

- See our Climate risk section within the Risk review section from page 282 in Part 3 of the Annual Report.

Non-financial information statement (continued)

Other Environmental-related policies and statements

Statement or policy position	Description	Information to help understand our Group and its impact, policies, due diligence and outcomes
Climate Change Financial and Operational Risk Policy	The Climate Change Financial Risk and Operational Risk Policy outlines the requirements and policy objectives for assessing and managing the impact on Financial and Operational Risks arising from the physical, transition and connected risks associated with climate change. This incorporates identification, measurement, management and reporting. Financial and Operational Risks / Themes associated with Climate Change are being managed in accordance with the requirements set out in this policy.	<ul style="list-style-type: none"> See our Climate risk section from page 282 in Risk Review in Part 3 of the Annual Report.

Governance and Financial Crime statements

Statement or policy position	Description	Information to help understand our Group and its impact, policies, due diligence and outcomes
Financial Crime: Bribery and corruption	The Financial Crime Policy is designed to ensure that Barclays' employees know how to identify and manage the legal, regulatory and reputational risks associated with all forms of bribery and corruption.	<ul style="list-style-type: none"> See the Financial Crime section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.
Financial Crime: 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.	<ul style="list-style-type: none"> See the Financial Crime section from page 246 Other Governance within the Governance report in Part 3 of the Annual Report.
Financial Crime: 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.	<ul style="list-style-type: none"> See the Financial Crime section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.

Data protection	Across Barclays, the privacy and security of personal information is respected and protected. Our Privacy website page 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.	<ul style="list-style-type: none"> See the managing data privacy, security and resilience section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.
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.	<ul style="list-style-type: none"> home.barclays/content/dam/home-barclays/documents/citizenship/our-reporting-and-policy-positions/Barclays-donation-guidelines.pdf
Resilience	Barclays maintains a robust resilience framework with our clients' and customers' interests at the centre. Our aim is to be able to continue delivering services and meet our clients' and customers' needs during business disruptions, crises, adverse events and other types of threats.	<ul style="list-style-type: none"> See the managing data privacy, security and resilience section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.
Tax	Our Tax Principles are central to our approach to tax planning, for ourselves or on behalf of our clients. 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.	<ul style="list-style-type: none"> See the tax section from page 246 in Other Governance within the Governance report Barclays PLC Country Snapshot report at home.barclays/annualreport

Colleagues

Statement or policy position	Description	Information to help understand our Group and its impact, policies, due diligence and outcomes
Board Diversity Policy	The Board Diversity Policy confirms that the Board Nominations Committee will consider candidates on merit against objective criteria and with due regard to the benefits of diversity in identifying suitable candidates for appointment to the Board.	<ul style="list-style-type: none"> See our section on diversity within the report of the Board Nominations Committee on page 161 of Part 3 of the Annual Report

Non-financial information statement (continued)

Human Rights-related statements

Statement or policy position	Description	Information to help understand our Group and its impact, policies, due diligence and outcomes
Defence sector	Barclays Statement on the Defence Sector outlines our appetite for defence-related transactions and relationships. We provide financial services to the defence sector within a specific policy framework. Transactions and relationships are assessed on a case-by-case basis and legal compliance alone does not automatically guarantee our support.	N/A
Human rights	Barclays is committed to operating in accordance with the International Bill of Human Rights and takes account of other internationally accepted human rights standards, including the UN Guiding Principles on Business and Human Rights (UNGPs). We take steps to ensure we are respecting human rights in our own operations through our employment policies and practices, in our supply chain through screening and engagement, and through the responsible provision of our products and services.	<ul style="list-style-type: none"> See our managing impacts in lending and financing section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.
Modern slavery	Barclays recognises its responsibility to comply with all relevant legislation including the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). In accordance with the requirements of these two Acts, we release an annual Barclays Group Statement on Modern Slavery, which outlines the actions we have taken in seeking to identify and address the risks of modern slavery and human trafficking in our operations, supply chain, and customer and client relationships.	<ul style="list-style-type: none"> See our managing impacts in lending and financing section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.

Codes of conduct

Statement or policy position	Description	Information to help understand our Group and its impact, policies, due diligence and outcomes
Code of Conduct	The Barclays Way is our code of conduct and outlines the Purpose, Values and Mindset which govern our way of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, and provides guidance on working with colleagues, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community.	<ul style="list-style-type: none"> See The Barclays Way section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.
Third-party code of conduct	Our approach to the way we do business needs to be adopted by our suppliers when acting on behalf of Barclays. To ensure a common understanding of our approach which will help us collectively drive the highest standards of conduct, we have created our Third Party Code of Conduct, which details our expectations for Environmental Management, Human Rights, Diversity and Inclusion; and living the Barclays Values.	<ul style="list-style-type: none"> See our supply chain section within the Society section of the strategic report from page 43
Statement of Commitment to Health & Safety	Our statement itself is an expression of Barclays commitment to managing health and safety across the organisation to protect the safety and wellbeing of our colleagues, customers, suppliers, and any individual using our premises by providing and maintaining a safe working environment that protects both physical and mental wellbeing.	<ul style="list-style-type: none"> See our health and safety section from page 246 in Other Governance within the Governance report in Part 3 of the Annual Report.

ESG Ratings and Benchmarks

ESG ratings performance

We are firmly committed to enhancing our disclosures and in engaging with industry-led initiatives intended to support an effective and trusted ESG ratings market.

In 2022, we remained stable or improved for most ratings, although we continue to focus on improving certain underlying activities in accordance with our overall sustainability strategy.

Where our performance improved, we believe this was driven by our new targets in relation to climate, alongside enhancements in the granularity of our disclosures.

In addition to providing key ratings agencies with relevant data and information when requested, we also engage when they consult on changes to their methodologies. We recognise markets and stakeholders need clear and consistent information, and we fully support this objective.

While the ESG ratings market is evolving rapidly, significant challenges remain. The ratings landscape has increasingly become the focus of reform. Regulators and other market participants are looking to introduce principles to support the consistency, clarity and robustness of ESG ratings.

We strongly support these initiatives and are contributing to efforts to develop a voluntary code of conduct as a member of the ESG Data and Ratings Code of Conduct Working Group convened by the UK Financial Conduct Authority.

+ Please also refer to page 142 in Part 3 of the Annual Report for details of BPLC Board consideration of matters relating to the reporting and monitoring of ESG-related data in addition to how we manage Climate across our Board structures within the Other Governance section from page 246 in Part 3 of the Annual Report.

Select ESG ratings and benchmarks

MSCI ESG Rating

AA

Scale (best to worst):

AAA to CCC

Barclays' rating was stable

2021: AA
2020: A

Sustainalytics ESG Risk Rating

23.8

Scale (best to worst):

0-100

Barclays' rating improved

2021: 25.1
2020: 23.9

S&P Global CSA

75

Scale (best to worst):

100 to 0

Barclays' rating declined slightly, but relative performance improved

(95th percentile)

2021: 78 (92nd percentile)
2020: 77 (88th percentile)

CDP Climate Change

A-

Scale (best to worst):

A to D-

Barclays' rating improved

2021: B
2020: B

FTSE Russell ESG Rating

4.7

Scale (best to worst):

5 to 0

Barclays' rating improved

(98th percentile)

2021: 4.2 (92nd percentile)
2020: 4.7 (94th percentile)

ISS QualityScore Environment

1

Scale (best to worst):

1 to 10

Barclays' rating was stable

2021: 1
2020: 1

ISS QualityScore Social

1

Scale (best to worst):

1 to 10

Barclays' rating was stable

2021: 1
2020: 1

ISS QualityScore Governance

9

Scale (best to worst):

1 to 10

Barclays' rating declined

2021: 7
2020: 8

ISS ESG Corporate Score

C-

Scale (best to worst):

A+ to D

Barclays' rating was stable

2021: C-
2020: C-

Moody's ESG Solutions

55

Scale (best to worst):

100 to 0 with advanced (>60)

Barclays' rating was stable

2021: 55
2020: 49

Note: All scores updated as of 31 December 2022.

ESG-related reporting and disclosures

ESG-related reporting and disclosures

Our approach to ESG reporting is driven by recognised external standards and frameworks. As these frameworks evolve, we will continue to assess and amend our approach to ESG disclosures appropriately.

The aim with our ESG-related disclosures within this Annual Report is to outline the progress we have made over the past year on ESG criteria that we have identified as important to our customers and clients, shareholders and stakeholders. Barclays continues to support efforts for enhanced ESG reporting and advocates for improved consistency across disclosures, ratings and benchmarks. We support the work of the International Sustainability Standards Board (ISSB) and continue to participate in a range of regional and global industry efforts to promote increased harmonisation on data, taxonomies and disclosures.

ESG Additional Reporting Disclosures

Barclays provides additional disclosures within the ESG Resource Hub. This includes our reporting with reference to the material topics from the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI).

Our ESG-related disclosures:

Annual Report	ESG-related reporting	ESG data resources	Other ESG resources	Statements and policy positions	Indices
Taskforce for Climate-related Financial Disclosures (TCFD) Recommendations	Principles for Responsible Banking (PRB) Fair Pay report / UK Pay Gaps report	ESG (non-financial) Data Centre	ESG Investor Presentations Limited Independent Assurance statement	ESG Resource Hub - Statements and policy positions	Global Reporting Index (GRI) Sustainability Accounting Standards Board (SASB)
ESG-related disclosures	(Tax) Country Snapshot report Board Diversity Policy Diversity, Equity and Inclusion report		Barclays' Sustainable Finance Framework BlueTrack™ Whitepaper Corporate Transition Forecast Model		

ESG Resource Hub

Barclays' ESG Resource Hub provides more detailed technical information, disclosures and our position statements on environmental, social and governance matters. It is intended to be relevant for analysts, ESG investors, rating agencies, suppliers, clients and all other stakeholders.

+ Further details can be found on the ESG Resource Hub at: home.barclays/sustainability/esg-resource-hub/

UN Principles for Responsible Banking (PRB)

Barclays was one of the founding signatories of the UN PRB. We report annually on how we are implementing the Principles.

+ The Barclays PLC PRB Report 2022 can be found at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

TCFD reporting and disclosures

Our climate-related financial disclosures are now included within this Annual Report. The majority of the content can be found in our new climate and sustainability report in Part 2 in addition to the Other Governance section within the Governance report and Risk review sections in Part 3 of the report.

+ For further details on where to access TCFD-related topics, please see the TCFD content index on page 65.

ESG Data Centre

Within the ESG Resource Hub, our ESG (non-financial) Data Centre^a continues to provide a central repository of all ESG-related data that is published within the Barclays PLC Annual Report as well as additional information and granularity.

+ The ESG (non-financial) Data Centre can be accessed online within the ESG Resource Hub at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Note

^a Re-named from ESG Data Hub to ESG Data Centre in 2022.

KPMG LLP Limited Assurance

Barclays appoints KPMG LLP to perform limited independent assurance over selected ESG content, which have been marked with the symbol Δ.

The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (UK) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements 3410 Assurance of Greenhouse Gas Statements. A limited assurance opinion was issued and is available at the website link below. This includes details of the scope, reporting criteria, respective responsibilities, work performed, limitations and conclusion. No other information in this Annual Report has been subject to this external limited assurance.

+ Further details on Limited Assurance can be found at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

ESG disclosures

As ESG criteria have become increasingly embedded into what we do, for the 2022 Barclays PLC Annual Report we have taken the decision to further integrate our ESG-related disclosures into relevant sections of Parts 1, 2 and 3 within the Annual Report. To clearly signpost the location of our ESG-related disclosures, we have included a detailed ESG Content Index within our ESG (non-financial) Data Centre.

TCFD Content Index

TCFD Content Index

Our climate-related financial disclosures form part of the Barclays PLC Annual Report.

UK Listing Rules statement of compliance

This year, our climate-related financial disclosures are included in the bank's annual report instead of a standalone report. Our strategy is set out in the Climate and Sustainability report, climate governance in our Governance report and our approach to Climate risk is in our Risk review section.

We have considered our obligations in respect of climate-related disclosure under the UK's Financial Conduct Authority's Listing Rules and confirm that we have made disclosures consistent with the relevant Listing Rules and the Taskforce for Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures (including the implementing guidance set out in the 2021 TCFD Annex), save for certain items which we describe below:

Strategy Recommendation disclosure c) relating to quantitative climate-related scenario analysis

We have disclosed our current understanding of the resilience of our strategy, taking into consideration the different climate-related scenarios that we have explored. However, in undertaking these climate scenario exercises we are gaining a greater understanding of the challenges and nuances of climate scenario analysis which is in part driven by the unique and complex features of climate science. We recognise that we have further work to do in order to evolve our approach to the analysis and to reach a more comprehensive and deeper understanding of the resilience of our business under various climate scenarios.

The work we have already done in this regard and which we plan to undertake in 2023 is set out in "Resilience of our strategy" from page 128 in Part 2 of the Annual Report.

Metrics and targets Recommended Disclosures a), Supplemental Guidance for Banks, the extent to which lending and other financial intermediary business activities, where relevant, are aligned with a well below 2°C scenario

We have developed a methodology for measuring our financed emissions and tracking them at a portfolio level in BlueTrack™. This methodology currently applies to six high carbon-emitting sectors in our portfolio, five of which are tracked against the IEA Net Zero by 2050 scenario (which is aligned with a goal to limit global temperature rises by 1.5°C with a 50% probability). In relation to Residential Real Estate, we have assessed this sector against the UK Climate Change Committee's Balanced Net Zero (CCC BNZ) scenario, and which takes into consideration the UK's net zero commitments and Sixth Carbon Budget. We will continue to assess the financed emissions across our portfolio and measure the baseline emissions that we finance across sectors. In particular, our commitment under the Net-Zero Banking Alliance is to set science-based targets for all material high-emitting sectors (as defined by the NZBA) in our portfolio by April 2024.

We aim to assess our baseline financed emissions across the Agriculture, Commercial Real Estate, Aviation and Shipping sectors during 2023. This assessment will inform our plan for target setting in the coming years and will, together with our ongoing work to develop a high-level modelled assessment of our overall balance sheet emissions consistent with the approach outlined by the Partnership for Carbon Accounting Financials (PCAF), support our better understanding of the extent to which our financing aligns with a 'well below 2°C' scenario.

Looking ahead: TCFD sector specific requirements for asset managers

We have started to assess the TCFD sector specific guidance for asset managers (which represents a small part of our overall business) and are working towards reporting next year in accordance with the FCA Enhanced Climate-Related Disclosure Requirements for Asset Managers, recognising the industry-wide

challenge with data availability and accuracy to meet these requirements. We will publish more granular information in line with the requirements in future reporting periods.

+ Further details on the TCFD Recommendations and Recommended Disclosures are available at: fsb-tcfd.org
Full list of metrics and targets can be found in the ESG Data Centre at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

TCFD Content index

Section	Recommendation	Page references within Parts 2 and 3 of the Annual Report
Governance	a) We describe the Board's oversight of climate-related risks and opportunities	155, 248 – 249
	b) We describe management's role in assessing and managing climate-related risks and opportunities	117, 250 – 252
Strategy	a) We describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	74 – 76, 282, 296 – 299
	b) We describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	77 – 126
	c) We describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	128 – 135
Risk management	a) We describe the organisation's processes for identifying and assessing climate-related risks	74 – 76, 282 – 289
	b) We describe the organisation's processes for managing climate-related risks	
	c) We describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics & Targets	a) Our metrics used to assess climate-related risks and opportunities in line with our strategy and risk management processes	74 – 76
	b) Our Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions and the related risks	80, 88
	c) Our performance against the targets used to manage climate-related risks and opportunities and performance against targets	80, 88, 101

Shareholder information

Annual General Meeting (AGM)

Location

QEII Centre, Broad Sanctuary, Westminster, London SW1P 3EE

And virtually on an electronic platform

Date

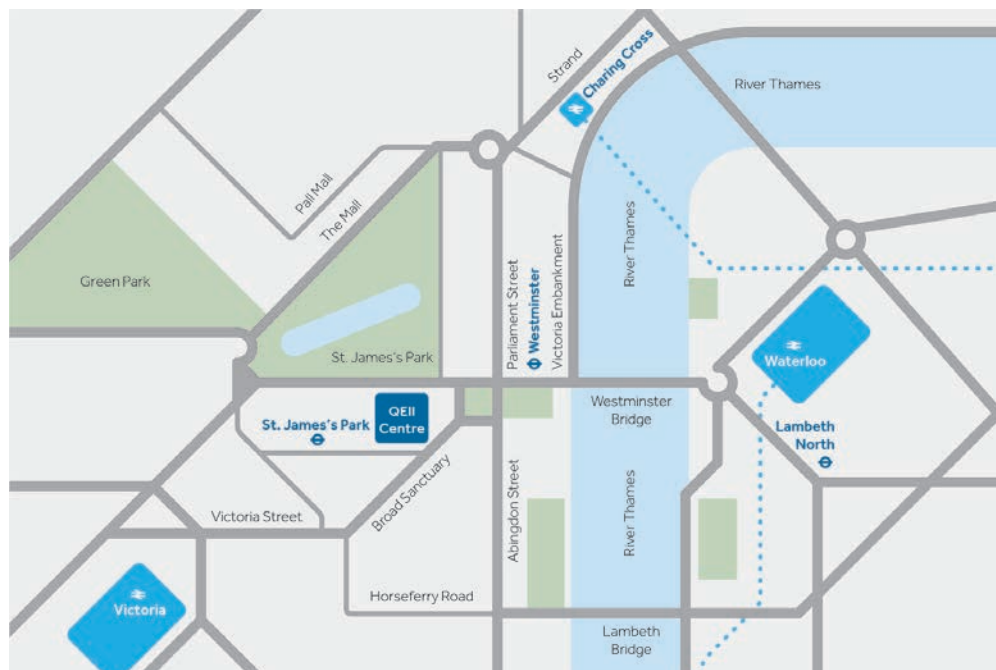
Wednesday, 3 May 2023

Time

11.00am

The arrangements for the Company's 2023 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/agm).

Preparations for the Coronation of His Majesty The King and Her Majesty The Queen Consort in the Westminster area of London may require changes to the 2023 AGM arrangements set out above. If changes are required, details will be provided in the Notice of AGM.



Key dates

31 March 2023

Full year dividend payment date

27 April 2023

Q1 2023 Results Announcement

3 May 2023

Annual General Meeting at 11.00am

Keep your personal details up to date

Please remember to tell Equiniti if:

- you move; or
- 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 are not a Shareview member you can update details quickly and easily over the telephone using the Equiniti contact details overleaf.

Dividends

The Barclays PLC 2022 full year dividend for the year ended 31 December 2022 will be 5.0p per share, making the 2022 total dividend 7.25p per share.

Dividend Re-investment Plan

Barclays offers a share alternative in the form of a dividend reinvestment plan (DRIP) for those shareholders who wish to elect to use their dividend payments to purchase additional ordinary shares, rather than receive a cash payment. The DRIP is provided and administered by Barclays' registrar, Equiniti.



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

Dividend Payments

Barclays has made the decision that dividends will no longer be paid by cheque. All future dividends will be credited to a shareholder's nominated bank account or building society. We believe this decision is beneficial for our shareholders to safeguard dividends by using a more secure payment method, as well as removing our environmental impact of printing and posting cheques.

It is easy to set up payment directly to your bank account by completing a bank mandate, meaning your money will be in your bank account on the dividend payment date. You can provide your bank or building society details quickly and easily over the telephone using the Equiniti contact details overleaf.

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 high pressure techniques to lure shareholders into high-risk investments or scams. You should treat any unsolicited calls with caution.

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

Report a scam

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

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, £90,379 was donated in 2022, taking the total donated since 2017 to over £493,000.

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 2022, 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 £482,800 to our shareholders, in addition to the approximately £4.7m returned since 2015.

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

+ 44 (0)371 384 2055

(UK & International telephone number)

+44 (0)371 384 2255

(for the hearing impaired in the UK & international)

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 the 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

Copies of the Annual Report 2022

The Strategic Report 2022 and Annual Report 2022 can be downloaded from Barclays' website home.barclays

Shareholders who wish to receive a hard copy of the Strategic Report 2022 or Annual Report 2022 should contact Barclays' share registrars, Equiniti.

Alternative formats

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

+44 (0)371 384 2055^a

(UK & International telephone number)

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.



Important Information

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. 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 directors, officers and employees of the Group (including during management presentations) 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 levels, costs, assets and liabilities, impairment charges, provisions, capital, leverage and other regulatory ratios, capital distributions (including dividend policy and share buybacks),

return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including environmental, social and governance (ESG) commitments and targets), business strategy, plans and objectives for future operations and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulation and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the policies and actions of governmental and regulatory authorities; the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively; environmental, social and geopolitical risks and incidents and similar events beyond the Group's control; the impact of competition; capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions,

including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; higher or lower asset valuations; changes in credit ratings of any entity within the Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflict in Ukraine on European and global macroeconomic conditions, political stability and financial markets; 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 any 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 reputation, business or operations; the Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets 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 the description of material existing and emerging risks from page 269 of this Annual Report.

Subject to Barclays PLC's 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.



Our 2022 suite of Reports

Barclays PLC Annual Report 2022

A detailed review of Barclays' 2022 performance with disclosures that provide useful insight and go beyond reporting requirements. The 2022 report integrates our ESG (Environmental, Social and Governance), and DEI (Diversity, Equity and Inclusion) reporting, and incorporates our Task Force on Climate-related Financial Disclosures (TCFD) recommendations in this, the sixth year of disclosure.

Barclays PLC Pillar 3 Report 2022

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

Barclays PLC Fair Pay Report 2022

An overview of our approach to pay, including the principles and policies of our Fair Pay Agenda.

Barclays PLC Country Snapshot 2022

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.