



# Making a **difference**

Barclays PLC  
Annual Report 2020



# Making a difference

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

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

## Our Purpose

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

## Our Values

### Respect

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

### Integrity

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

### Service

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

### Excellence

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

### Stewardship

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



You can read more about our new Purpose at [home.barclays/purposeandvalues](https://home.barclays/purposeandvalues)

## Our Stakeholders

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

### For our customers and clients

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

### For our colleagues

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

### For society

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

### For our investors

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

## Strategic report

Understanding Barclays	002
Chairman's introduction	004
Chief Executive's review	006
Operating environment	009
Our strategy	011
Our business model	014
Engaging with our stakeholders	016
Section 172(1) statement	018
Key performance indicators	022
<b>Making a difference for our customers and clients:</b>	
Barclays UK	026
Barclays International: Corporate and Investment Bank	028
Barclays International: Consumer, Cards and Payments	030
<b>Making a difference for our colleagues:</b>	
Our people and culture	033
<b>Making a difference for society:</b>	
Tackling climate change	039
Supporting our communities	042
<b>Making a difference for our investors:</b>	
Summary financial review	045
Managing risk	048
Viability statement	050
Non-financial information statement	052

## Shareholder information

Key dates, Annual General Meeting, dividends, and other useful information	054
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## Governance

Governance contents	059
Directors' report	060
Remuneration report	108

## Risk review

Risk review contents	143
Risk management	145
Material existing and emerging risks	147
Climate change risk management	159
Principal risk management	161
Risk performance	167
Supervision and regulation	233

## Financial review

Financial review contents	239
Key performance indicators	240
Consolidated summary income statement	242
Income statement commentary	243
Consolidated summary balance sheet	244
Balance sheet commentary	245
Analysis of results by business	246
Non-IFRS performance measures	253

## Financial statements

Financial statements contents	259
Consolidated financial statements	279
Notes to the financial statements	286

The Barclays PLC Strategic Report 2020 was approved by the Board of Directors on 17 February 2021 and signed on its behalf by the Chairman.

### Report of the auditor

The Auditor's report on the Financial statements of Barclays PLC for the year ended 31 December 2020 was unmodified, and its statement under Section 496 of the Companies Act 2006 was also unmodified (see page 260 of Part 2 of the Annual Report 2020).

## Chairman's introduction

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

# Purpose during the pandemic

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

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

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

### Revisiting our Purpose

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

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

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

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

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

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

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



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

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

## Chief Executive's review

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

# Making a difference when it matters most

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

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

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

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

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

### Resilience and stability

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

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

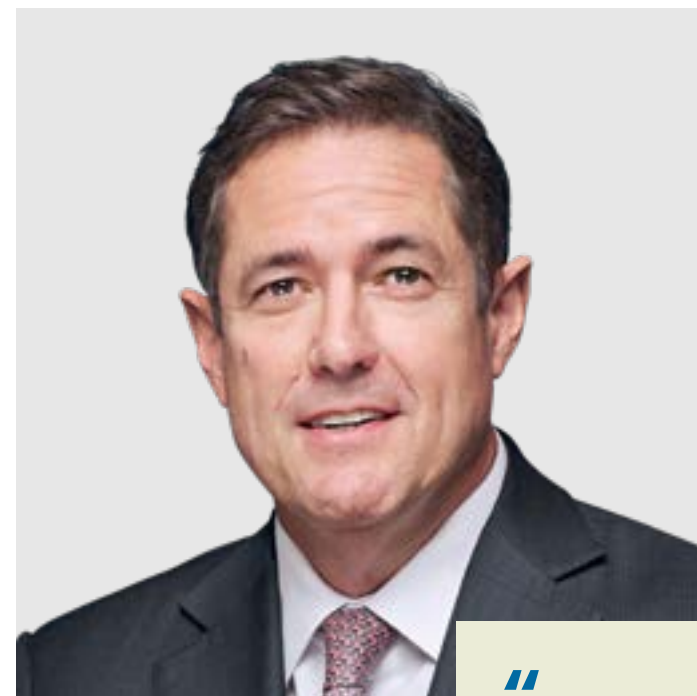
Our CET1 ratio as at 31 December 2020 was 15.1% – the highest level of capitalisation in Barclays' history – and our liquidity pool of £266bn represented 20% of the Group's balance sheet. We have £9.6bn of provisions set aside for impairments.

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

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

### The right model

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



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

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

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



## Engaging with our stakeholders

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

# Sustained dialogue

## Customers and clients

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

### What do they tell us?

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

Customers told us:

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

### How do we respond to them?

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

c.£1.5trn

raised across Equity and Debt Capital Markets in Q220-Q420

c.£27bn

financing provided to businesses through UK Government support schemes

## Colleagues

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

### What do they tell us?

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

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

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

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

### How do we respond to them?

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

83%

of colleagues believe Barclays supports their wellbeing

96%

of colleagues completed Mental Health Awareness training

## Engaging with our stakeholders continued

### Society

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

#### What do they tell us?

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

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

Major themes we heard from them included:

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

#### How do we respond to them?

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

## £100m

committed through our COVID-19 Community Aid Package

## £100bn

green finance committed by 2030

### Investors

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

#### What do they tell us?

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

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

#### How do we respond to them?

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

## 99.93%

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



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

## Our people and culture continued

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

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

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

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

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

### Developing talent for the future

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

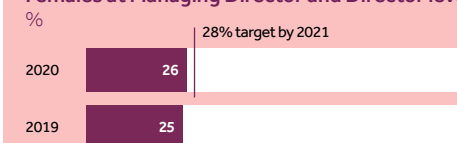
A wide range of development opportunities are available to help colleagues build their careers, delivered through our digital learning platform, Learning Lab, which makes development more available than ever. We also continue to operate our two flagship leadership development programmes: our Enterprise Leaders Programme; and our Strategic Leaders Programme, driven by our belief that quality leadership makes a difference to our success. We track the progression of people that have participated in these programmes to see how effective they are.

We have invested in the tools, programmes and technology needed to enable colleagues to work smarter, collaborate more easily and so that we can unlock the power of the connections between our people. In our latest Your View survey, 77% of colleagues told us they have the work tools and resources needed to achieve excellent performance, up 21 percentage points on last year. We also want to help colleagues balance their work life with their personal commitments, supporting career development opportunities at each life stage. We offer enhanced maternity, paternity, adoption and shared parental entitlements in all our major jurisdictions.

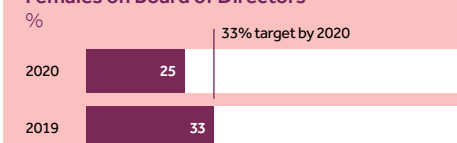
We remain committed to closing pay gaps at Barclays. Our UK pay gaps for 2020 are disclosed at [home.barclays/diversity](https://home.barclays/diversity)

## Female colleagues

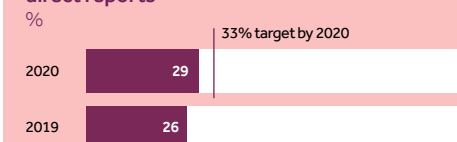
### Females at Managing Director and Director level



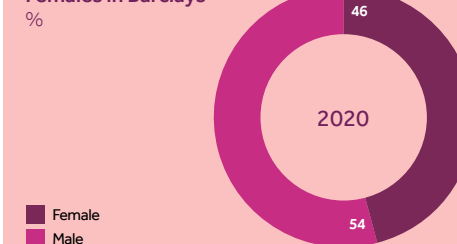
### Females on Board of Directors<sup>a</sup>



### Females on Group ExCo and ExCo direct reports



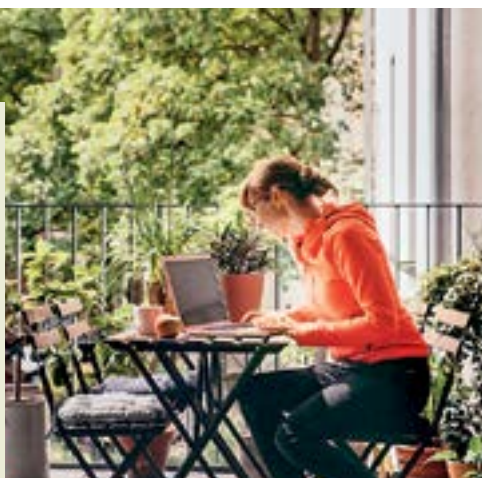
### Females in Barclays



#### Note

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

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





## Our people and culture continued

### Highlights

#### Graduate hires

961

#### Average training hours per annum per employee (payroll)

13

#### Voluntary employee turnover

6%

#### Employee turnover

9%

#### Note

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

### Creating an inclusive and supportive culture

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

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

We also closely track the ever-changing composition of our people through online dashboards, to make sure that our senior leaders understand the diverse makeup and needs of the organisation they lead. In 2020, we launched our Inclusion Index, which is one way we have been able to measure how included our colleagues feel. It has enabled us to use data to assess the impact of our initiatives and lay a benchmark for monitoring progress year on year. Our overall Inclusion Index score for 2020 is 76%, while 89% of colleagues say they feel included in their team.

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

We want to become one of the most accessible and inclusive FTSE companies for all our customers, clients and colleagues. We require managers to give full and fair consideration to those with a disability on the basis of strengths, potential and ability, both when hiring and managing. We also ensure opportunities for training, career development and promotion are available to all. As part of the UK Government Disability Confident scheme, we encourage applications from people with a disability, or a physical or mental health condition. In response to feedback at the end of 2019, we undertook a review of workplace adjustment processes in order to improve our colleagues' experience.

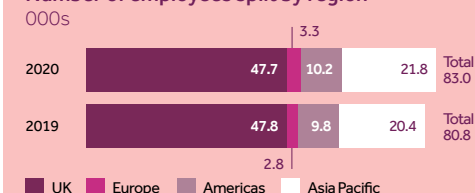
Through our BeWell programme, we continue to provide expert advice and guidance on the practical steps colleagues can take to look after their physical and mental health. In 2020, our Mental Health Awareness e-learning became mandatory, and we regularly check in with managers to ensure they are supporting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



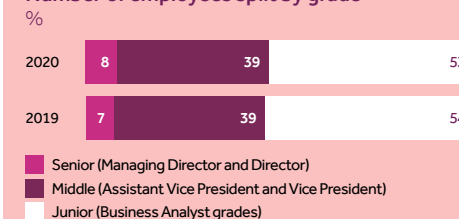
You can find more information in our Diversity and Inclusion report available at [home.barclays/annualreport](https://home.barclays/annualreport)

### Employee statistics

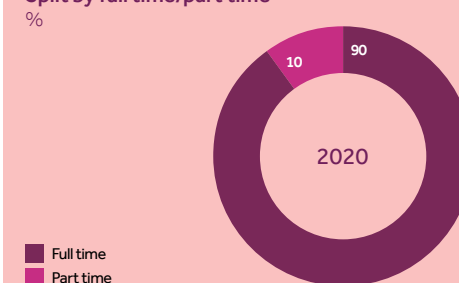
#### Number of employees split by region



#### Number of employees split by grade



#### Split by full time/part time



## Our society and environment continued

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

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

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



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



Barclays' position statements are available online at our ESG resources hub at [home.barclays/esg](https://home.barclays/esg)



### Climate-related disclosures

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

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

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



For more information go to our TCFD Report at [home.barclays/annualreport](https://home.barclays/annualreport)

## Directors' report: Board of Directors

Focused on protecting the health and wellbeing of our colleagues and supporting our customers, clients and other stakeholders, while maintaining the financial and operational integrity of the Barclays Group.

# Embedding our corporate Purpose in everything we do

## Overview of key developments in 2020

The challenges presented by the COVID-19 pandemic reinforced the importance for the Board of our corporate Purpose in everything we do and, in particular, embedding it in our response to the pandemic. We want to reinforce that clarity and conviction about our Purpose and our Values, and stay true to that way of thinking about how we take action at pace. Accordingly, during 2020, the Board approved the introduction of a new, extended narrative of the Group's Purpose and the refreshed descriptions of our Values to make sure they are still relevant for the challenges ahead. You can read more about how the Board oversaw the evolution of our Purpose and Values on page 69.

Throughout the COVID-19 pandemic, the Board has been keenly focused on protecting the health and wellbeing of our colleagues and supporting our customers, clients and other stakeholders, while at the same time maintaining the financial and operational integrity of the Barclays Group.

### Nigel Higgins Group Chairman

Appointed:  
2 May 2019



#### Relevant skills and experience

Nigel is the Group Chairman. He is also Chairman of Barclays Bank PLC.

Nigel has extensive experience in, and understanding of, banking and financial services, gained through a 36-year career at Rothschild & Co. where he was most recently Deputy Chairman. Prior to that he was Chairman of the Group Executive Committee and Managing Partner of Rothschild & Co.

He is a seasoned business leader with a strong track record in leading and chairing a range of organisations and in acting as a strategic adviser to multiple major international corporations and governments. The breadth of Nigel's knowledge and operational experience with international banking groups, building teams and culture and growing businesses are all hugely beneficial to Barclays, and enables Nigel to contribute to the strategic direction and long-term sustainable success of Barclays.

#### Key current appointments

Chairman, Sadler's Wells; Non-Executive Director, Tetra Laval Group

#### Board Committee membership

Board Nominations Committee (Chair)

### Jes Staley Group Chief Executive

Appointed:  
1 December 2015



#### Relevant skills and experience

Jes has nearly four decades of extensive experience in banking and financial services. He brings a wealth of investment banking knowledge to the Board as well as strong executive leadership, and this contribution is reflected in Barclays' strategy and long-term sustainable success of the business. He previously worked for more than 30 years at JP Morgan where he initially trained as a commercial banker, later advancing to the leadership of major businesses involving equities, private banking and asset management, and ultimately heading JP Morgan's Global Investment Bank.

#### Key current appointments

Board Member, Bank Policy Institute; Board Member, Institute of International Finance

#### Board Committee membership

None

### Brian Gilvary Senior Independent Director

Appointed:  
1 February 2020



#### Relevant skills and experience

Brian was appointed to the Board with effect from 1 February 2020 and took on the role of Senior Independent Director on 1 January 2021. He is an experienced executive having served on the Board of BP p.l.c. as Chief Financial Officer from 2012 to 2020. Brian's BP career spanned Upstream, Downstream and Trading based in the UK, USA and Europe. Previously, he held several senior financial and commercial roles, including member of the Board of TNK-BP (a BP Russian JV), Chief Executive of BP's commodity trading division and Commercial Director of the downstream division.

His other senior-level experience includes serving on the Boards of various commercial and charitable organisations. Brian was also Chairman of the FTSE 100 Group of Finance Directors from 2018-2020, a member of the UK Treasury Financial Management Review Board from 2014-2017 and has served on various HRH Prince of Wales' Business in the Community Leadership Teams from 2007 to 2009. Brian brings to the Board his extensive experience of management, finance and strategy gained at BP and other public and private boards, along with deep experience of US and UK shareholder engagement. His experience with, and understanding of, the challenges and opportunities inherent in advancing a sustainable energy future will be invaluable as Barclays considers how it can help to accelerate the transition to a low-carbon world.

#### Key current appointments

Non-Executive Director, Air Liquide S.A.; Executive Chairman, INEOS Energy, an INEOS group company

#### Board Committee membership

Board Remuneration Committee, Board Nominations Committee (from 1 January 2021), Board Risk Committee (from 1 January 2021)

### Crawford Gillies Non-Executive

Appointed:  
1 May 2014



#### Relevant skills and experience

Crawford is a senior member of the Board having held the role of Senior Independent Director prior to 1 January 2021. He is also Chair of Barclays Bank UK PLC (subject to regulatory approval). He has extensive business transformation and management experience at executive and board level spanning over 30 years. Beneficial to the Board and to Barclays' strategy and long-term sustainable success is his key understanding of stakeholder needs and his experience in international and cross-sector organisations, strong leadership and strategic decision-making.

#### Key current appointments

Chairman, Edrington Group

#### Board Committee membership

Board Audit Committee, (until 31 December 2020), Board Nominations Committee, Board Remuneration Committee (Chair)

### Mike Ashley Non-Executive

Appointed:  
18 September 2013



#### Relevant skills and experience

Mike has deep knowledge of accounting, auditing and associated regulatory issues, having previously worked at KPMG for over 20 years. Mike's former roles include acting as the lead engagement partner on the audits of large financial services groups including HSBC, Standard Chartered and the Bank of England, as Head of Quality and Risk Management for KPMG Europe LLP and as KPMG UK's Ethics Partner. The Board benefits from his extensive experience in accounting, auditing and financial reporting and therefore Mike continues to contribute to the long-term sustainable success of the business.

#### Key current appointments

Member, Cabinet Office Board; Member, International Ethics Standards Board for Accountants; Member, ICAEW Ethics Standards Committee; Treasurer, The Scout Association

#### Board Committee membership

Board Audit Committee (Chair), Board Nominations Committee, Board Risk Committee

## Directors' report: Board of Directors continued

### Tim Breedon CBE Non-Executive

Appointed:  
1 November 2012



#### Relevant skills and experience

Tim's continued contribution to Barclays' strategy and long-term sustainable success comes from his extensive financial services experience, knowledge of risk management and UK and EU regulation, as well as an understanding of key investor issues. He had a distinguished career with Legal & General, where, among other roles, he was the Group CEO until June 2012; this experience enables Tim to provide challenge, advice and support to management on business performance and decision-making.

#### Key current appointments

Chairman, Apax Global Alpha Limited;  
Non-Executive Director, Quilter PLC

#### Board Committee membership

Board Audit Committee, Board Nominations Committee, Board Remuneration Committee, Board Risk Committee (Chair)

### Sir Ian Cheshire Non-Executive

Appointed:  
3 April 2017



#### Relevant skills and experience

Sir Ian is a member of the Board and until 31 December 2020 was Chair of Barclays Bank UK PLC. He contributes to the Board's substantial business experience, particularly in the international retail sector from his lengthy executive career at the Kingfisher Group, as well as experience in sustainability and environmental matters which are important to the Group's strategy and long-term sustainable success. Sir Ian holds strong credentials in leadership, is involved with many charitable organisations, such as The Prince of Wales's Charitable Foundation, and is highly regarded by the Government for his work with various Government departments.

#### Key current appointments

Chairman, Menhaden plc; Trustee, Institute for Government; Non-Executive Director, British Telecommunications plc

#### Board Committee membership

Board Nominations Committee  
(until 31 December 2020)

### Mohamed A. El-Erian Non-Executive

Appointed:  
1 January 2020



#### Relevant skills and experience

Mohamed is a highly respected economist and investor, with considerable experience in the asset management industry and multilateral institutions. He is the President of Queens' College Cambridge and a part-time adviser to Allianz, the corporate parent of Pacific Investment Management Company (PIMCO LLC), where he formerly served as Chief Executive and Co-Chief Investment Officer. As well as serving on several advisory committees and boards, Mohamed is a regular columnist for Bloomberg Opinion and a contributing editor at the Financial Times. He has also published widely on international economic and financial topics. He spent 15 years at the IMF, where he served as Deputy Director before moving to the private sector and financial services. Mohamed's acute knowledge and understanding of international economics and the financial services sector strengthens the Board's capacity for overseeing the strategic direction and development of the Group. Mohamed's knowledge and experience enable him to contribute to the long-term sustainable success and strategy of the business.

#### Key current appointments

Lead Independent Director, Under Armour Inc.; Chief Economic Adviser, Allianz SE; Chairman, Gramercy Funds Management; Senior Adviser, Investcorp Bank BSC; President, Queens' College, Cambridge University

#### Board Committee membership

Board Risk Committee

### Dawn Fitzpatrick Non-Executive

Appointed:  
25 September 2019



#### Relevant skills and experience

Dawn is a highly experienced financial executive who holds the role of Chief Investment Officer at Soros Fund Management LLC. Her previous experience includes 25 years with UBS and its predecessor organisations, most recently as Head of Investments for UBS Asset Management. Her knowledge of the businesses and markets in which the Group operates further strengthens the depth and range of relevant sector skills and experience across the Board. This enables Dawn to challenge and contribute effectively to the Group's operations and the long-term sustainable success of the business.

#### Key current appointments

Chief Investment Officer, Soros Fund Management LLC; Member, The New York Federal Reserve's Investor Advisory Committee on Financial Markets; Member, Advisory Board and Investment Committee of the Open Society Foundations' Economic Justice Programme

#### Board Committee membership

Board Risk Committee



### Mary Francis CBE Non-Executive

Appointed:  
1 October 2016



#### Relevant skills and experience

Mary has extensive and diverse board-level experience across a range of industries, including her previous Non-Executive Directorships of the Bank of England, Alliance & Leicester, Aviva, Centrica and Swiss Re Group. Through her former senior executive positions with HM Treasury, the Prime Minister's Office, and as Director General of the Association of British Insurers, she brings to the Board a strong understanding of the interaction between public and private sectors, skills in strategic decision-making and reputation management and promotes strong board governance values, which enables her to continue to contribute effectively to the long-term sustainable success of the Group.

#### Key current appointments

Non-Executive Director, Valaris PLC; Senior Independent Director, PensionBee Ltd; Member of Advisory Panel, The Institute of Business Ethics; Member, UK Takeover Appeal Board

#### Board Committee membership

Board Remuneration Committee

### Tushar Morzaria Group Finance Director

Appointed:  
15 October 2013



#### Relevant skills and experience

Tushar is a chartered accountant and joined the Barclays Board and Executive Committee as Group Finance Director in October 2013. As part of his role he is responsible for Finance, Tax, Treasury, Investor Relations and Strategy. His extensive knowledge of strategic financial management, investment banking and operational and regulatory relations enable him to contribute effectively to Barclays' long-term sustainable success. He has worked in investment banking for most of his career and held various roles at SG Warburg, Credit Suisse and JPMorgan. Immediately prior to joining Barclays he was CFO of the Corporate and Investment Bank at JPMorgan Chase. Tushar is currently Chair of the Working Group on Sterling Risk Free Reference Rates and a Non-Executive Director on the BP p.l.c. board and a member of its Audit and Remuneration Committees.

#### Key current appointments

Non-Executive Director, BP p.l.c.; Member, 100 Group Main Committee; Chair, Sterling Risk Free Reference Rates Working Group

#### Board Committee membership

None

### Diane Schueneman Non-Executive

Appointed:  
25 June 2015



#### Relevant skills and experience

Diane is a member of the Board, Chair of Barclays Execution Services Limited and a member of the Board of Barclays US LLC. She brings to Barclays a wealth of experience in managing global, cross-discipline business operations, client services and technology in the financial services industry, which enables her to robustly challenge the Group's strategy and support the long-term sustainable success of Barclays. Diane had an extensive career at Merrill Lynch, holding a variety of senior roles, including responsibility for banking, brokerage services and technology provided to the company's retail and middle market clients.

#### Key current appointments

None

#### Board Committee membership

Board Audit Committee, Board Nominations Committee, Board Risk Committee

### Stephen Shapiro Group General Counsel and Group Company Secretary

Appointed:  
1 November 2017



#### Relevant skills and experience

Stephen joined Barclays in November 2017 as Group Company Secretary and was subsequently appointed Group General Counsel in August 2020, in addition to his role as Group Company Secretary. Before joining Barclays Stephen served as the Group Company Secretary and Deputy General Counsel of SABMiller plc, and prior to this, he practised law as a partner in a law firm in South Africa, and subsequently in corporate law and M&A at Hogan Lovells in the UK. Stephen has extensive experience in corporate governance, legal, regulatory and compliance matters. Stephen serves as Vice Chair of the GC100, the association of General Counsel and Company Secretaries working in FTSE 100 companies, and has previously served as Chairman of the ICC UK's Committee on Anti-Corruption.

## Directors' report: Executive Committee

Balancing the skills and experience that we need to deliver our strategic ambitions.

# Strategically strengthened and developed further

In 2020 we refreshed the composition of the Executive Committee (ExCo) to ensure, as our most senior management forum for the Group, it continues to have the right balance of skills and experience that we need to deliver our strategic ambitions. Through the appointments made during the year, we have sought to further strengthen the senior management of the Group, bringing fresh perspectives and talents to bear on important areas of our business.

We have created a new role on the ExCo to ensure that societal engagement and our climate change ambitions are at the heart of our decision-making. We have also created the roles of Co-President of Barclays Bank PLC, so that our Corporate Bank, Banking and Markets

businesses work more closely together, driving stronger collaboration across the CIB and delivering the Power of One Barclays for the benefit of our customers and clients:

**New roles**  
**Head of Public Policy and Corporate Responsibility**  
**Sasha Wiggins**

**Global Head of Banking and Co-President of Barclays Bank PLC**  
**Paul Compton**

**Global Head of Markets and Co-President of Barclays Bank PLC**  
**C.S. Venkatakrishnan**

Paul and Venkat were previously members of the ExCo in their respective capacities as President of Barclays Bank PLC and Group Chief Risk Officer; Joe McGrath stepped down from the ExCo on 31 December 2020 and we are immensely grateful for his continued contribution as Chairman of Investment Banking.

**New Appointments to the ExCo**  
**Group Chief Risk Officer**  
**Taalib Shah**

**Group General Counsel**  
**Stephen Shapiro**

Bob Hoyt stepped down as the Group General Counsel in July 2020.

**Jes Staley**  
Group Chief Executive



**Tushar Morzaria**  
Group Finance Director



**Mark Ashton Rigby**  
Group Chief Operating Officer



**Paul Compton**  
Global Head of Banking and Co-President of Barclays Bank PLC



**Alistair Currie**  
Head of Corporate Banking



**Stephen Dainton**  
Deputy Head of Markets



**Matt Hammerstein**  
Chief Executive Officer, Barclays UK



**Laura Padovani**  
Group Chief Compliance Officer



**Tristram Roberts**  
Group Human Resources Director



**Taalib Shah**  
Group Chief Risk Officer



**Stephen Shapiro**  
Group General Counsel and Group Company Secretary



**Ashok Vaswani**  
Chief Executive Officer, Consumer Banking & Payments



**C.S. Venkatakrishnan**  
Global Head of Markets and Co-President of Barclays Bank PLC



**Sasha Wiggins**  
Group Head of Public Policy & Corporate Responsibility



## Directors' report

The Board views governance as how it makes decisions and provides oversight in order to promote Barclays' success for the long-term benefit of its shareholders having regard to the interests of its other key stakeholders.

# Purpose-led decision-making and stakeholder accountability

### Our governance framework

The Board views governance as how it makes decisions and provides oversight in order to promote Barclays' success for the long-term benefit of its shareholders having regard to the interests of its other key stakeholders – our clients, customers, colleagues and the communities in which we operate. Effective governance facilitates the delivery of Barclays' Purpose and strategy, particularly in challenging times.

Barclays is a large, diversified organisation. The Board is committed, through our governance model, to driving purpose-led decision-making and to delivering accountability to our stakeholders. Our Group-wide governance framework has been designed to facilitate the effective management of the Group across its diverse businesses by our Group CEO and his ExCo, while preserving the constructive challenge, support and oversight of the Group's major subsidiary boards in the UK, Ireland and the US, consistent with their respective legal and regulatory responsibilities and in compliance with UK ring-fencing requirements.

The Barclays PLC (BPLC) Board is responsible for setting the strategic direction and risk appetite of the Group and is the ultimate decision-making body for matters of Group-wide strategic, financial, regulatory or reputational significance.

BPLC is the Group Parent company and has a premium listing on the London Stock Exchange. Each of its main operating entities, Barclays Bank PLC (BBPLC), Barclays Bank UK PLC (BBUKPLC), Barclays Bank Ireland PLC, Barclays US LLC and Barclays Bank Delaware, has its own board comprising Executive and Non-Executive Directors. Each also has its own board committees. These main operating companies are supported by BX, the Group-wide service company providing technology, operations and functional services to businesses across the Group.

Membership of the BPLC and BBPLC Boards was consolidated and streamlined in 2019, and this has led to significantly improved coordination and efficiency and reduced complexity and unnecessary duplication. Membership of the BBPLC Board became a subset of the BPLC Board, with all members of the BPLC Board, except the Senior Independent Director (SID), the Chairman of BBUKPLC and one other

Non-Executive Director, also serving on the Board of BBPLC. In 2020, the Nominations Committee reviewed the effectiveness of the consolidated structure and considered that this partial consolidation continued to deliver its intended benefits and was operating effectively, giving due regard to matters relevant to each individual entity. You can read more about the Nominations Committee's role in driving and reviewing the effectiveness of our governance framework on pages 82 to 86.

### Board composition

In 2020, the Board welcomed the addition of two new Non-Executive Directors:

- Mohamed A. El-Erian, who was appointed on 1 January 2020
- Brian Gilvary, who was appointed on 1 February 2020.

Both appointments have brought valuable insight and experience to the Board, relevant to the markets and geographies in which Barclays operates.

In December 2020, the Board was very pleased to announce that Julia Wilson will join the Board as a Non-Executive Director with effect from 1 April 2021. She will also join the Audit Committee. Julia's appointment reflects our commitment to strengthening our Board through the addition of further highly respected individuals with strong financial services expertise. She will bring significant corporate finance, tax and accounting experience to the Board and we look forward to welcoming her ahead of our AGM.

As reported in our 2019 Annual Report, Matthew Lester stepped down from the Board on 1 January 2020. Mary Anne Citrino stepped down from the Board on 30 September 2020 in order to dedicate more time to her other board commitments. We are grateful to them both for their service to Barclays.

In line with the Group's plans for orderly succession, Sir Ian Cheshire stepped down as a Non-Executive Director and Chair of BBUKPLC on 31 December 2020 and was succeeded by Crawford Gillies with effect from 1 January 2021 (subject to regulatory approval). Crawford's track record and deep knowledge of the Group, including BBUKPLC, position him well for this role. He remains on the BPLC Board alongside

the BBUKPLC Board and we consider the ongoing benefits of having the Chair of one of our principal subsidiaries as a member of the BPLC Board to be significant. Upon his appointment to the BBUKPLC Board, Crawford ceased to be the SID of BPLC and was succeeded in that role by Brian Gilvary with effect from 1 January 2021.

Sir Ian has agreed to remain on the BPLC Board until the AGM in May 2021 to help ensure a smooth transition. The Board is enormously grateful to Sir Ian for the tremendous work that he has undertaken on behalf of the Group and BBUKPLC in particular. Crawford will continue to chair the Remuneration Committee until 1 March 2021, when he will be succeeded in that role by Brian Gilvary (subject to regulatory approval). At that time, Brian will have served as a member of the Remuneration Committee for 12 months as recommended by the Code. Brian also joined the Risk and Nominations Committees with effect from 1 January 2021. You can read more about the membership of each of our Board Committees on pages 72 to 94 and 141 to 142.

Efforts are ongoing to further complement the current range of skills on the Board through the recruitment of an additional Non-Executive Director with technology experience. The benefits of increased diversity remain at the forefront of this search. We continue to believe that a Board with the right balance of skills, experience and diversity – of gender, ethnicity, cognitive and personal strengths and social backgrounds – is critical to the sustainable delivery of value to our shareholders.

Tim Breedon will have been on the Board for nine years in November 2021 and Mike Ashley will have been on the Board for nine years in September 2022 and, therefore, the Board is currently focused on identifying and developing potential successors for their roles as Risk Committee Chair and Audit Committee Chair, respectively.

You can read more about the Board's composition, diversity and succession planning, including recent changes and the appointment of Julia Wilson in the report of the Nominations Committee on pages 84 to 85.

### Board Committee cross-membership

The table below shows the number of cross-memberships of the Non-Executive Directors across the Board Committees as at 31 December 2020.

	Board Audit Committee	Board Nominations Committee	Board Remuneration Committee
Board Risk Committee	3	3	1
Board Remuneration Committee	1	2	
Board Nominations Committee	4		

### Composition of the Board

In line with the requirements of the Code, a majority of the Board is comprised of independent Non-Executive Directors. Our Nominations Committee considers the independence of our Non-Executive Directors annually, having regard to the independence criteria set out in the Code. As part of this process, our Nominations Committee keeps under review the length of tenure of all Directors, which can affect independence, and makes any recommendations to the Board accordingly.

The independence of Tim Breedon, Mike Ashley and Crawford Gillies, all of whom have served on the Board for more than six years, was subjected to a more rigorous review. The Nominations Committee remains satisfied that the lengths of their tenure have no impact on their respective levels of independence or the effectiveness of their contributions. The Board considers all of the Non-Executive Directors to be independent.

During 2020, both Matthew Lester and Mary Anne Citrino stepped down from the Board. Neither raised any concerns about the operation of the Board or management.

You can read more about the changes to Board composition in 2020 and steps taken to further strengthen the Board in the report of our Nominations Committee on pages 82 to 86.

### Time commitment

All potential new Directors are asked to disclose their other significant commitments. The Nominations Committee then takes this into account when considering a proposed appointment to ensure that Directors can discharge their responsibilities to Barclays effectively. This means not only attending and preparing for formal Board and Board Committee meetings, but also making time to understand the business and to undertake training. As stated in our *Charter of Expectations*, the time commitment is agreed with each Non-Executive Director on an individual basis. In addition, all Directors must seek approval before accepting any significant new commitment. Set out on this page is the average time

commitment expected for the role of Non-Executive Directors and the other Non-Executive positions on the Board.

### Time Commitment

Role	Expected time commitment
<b>Chairman</b>	Equivalent to up to 80% of full-time position.
<b>Senior Independent Director</b>	As required to fulfil the role.
<b>Non-Executive Director</b>	35-40 days per year (membership of one Board Committee included, increasing to 50 days a year if member of two Board Committees).
<b>Committee Chairs</b>	At least 80 days per year (including Non-Executive Director time commitment) for Audit and Risk Committee Chairs and at least 60 days for the Remuneration Committee Chair.

Where circumstances require it, all Directors are expected to commit additional time as necessary to their work on the Board. The Group Company Secretary maintains a record of each Director's commitments. For the year ended 31 December 2020 and as at the date of publication, the Board is satisfied that none of the Directors is over-committed and that each of the Directors allocates sufficient time to his or her role in order to discharge their responsibilities effectively.

### Composition, succession and evaluation

We have a Nominations Committee, the purpose and activities of which are contained in the Nominations Committee Report on pages 82 to 86.

### Board appointments

All appointments to the Board and senior management are viewed through a diversity lens and are based on merit and objective criteria, which focus on the skills and experience required for the Board's effectiveness and the delivery of the Group strategy. Board appointments are made following a rigorous and transparent process facilitated by the Nominations Committee, with the aid of an external search consultancy firm. You can read more about the work of the Nominations Committee on pages 82 to 86.

Diversity across the Group remains a key area of focus. For more detail on our actions to increase diversity please see our People and culture section on pages 33 to 37.

The Nominations Committee regularly reviews the composition of the Board, Board Committees and the ExCo. It frequently considers the skills required for the Board, its Board Committees and the ExCo, identifying the core competencies, diversity and experience required. This, along with the annual evaluation, helps to refresh the thinking on Board, Board Committee and ExCo composition and to determine a timeline for proposed new appointments. For the Board, it is standard practice to appoint any new Non-Executive Director or Chair for an initial three-year term, subject to annual re-election at the AGM, which may be extended for up to a further three-year term. As such, Non-Executive Directors typically serve up to a total of six years.

All Directors are subject to election or re-election each year by shareholders at the AGM.

# Annual Statement from the Chair of the Board Remuneration Committee

### Contents

■ Annual statement	108
■ Remuneration philosophy	112
■ Fair Pay	113
■ Employee remuneration policy	114
■ Directors' remuneration policy	115
■ Annual report on Directors' remuneration	118

## Remuneration Committee

Member	Meetings attended
<b>Crawford Gillies</b>	10/10
<b>Tim Breedon</b>	9/10
<b>Mary Francis</b>	10/10
<b>Brian Gilvary</b> (from 1 March 2020)	6/7

### Dear Fellow Shareholders

I am pleased to present the Directors' Remuneration Report for 2020, and my last statement to you as Chair of the Remuneration Committee. I know that my successor, Brian Gilvary, will be an excellent replacement and I wish him all the very best when he assumes the chair in March.

It has been an exceptionally challenging year for a great many of us, and one with far-reaching consequences for our economy and our society. In this context, the Committee has faced some extremely difficult decisions about the most appropriate way to remunerate colleagues for some outstanding work over the last 12 months. We have taken a number of important considerations into account, including our financial and non-financial performance in both relative and absolute terms, the views and expectations of our stakeholders, and the differing contributions of our businesses to the Group's financial resilience, which has in turn enabled us to support customers, clients and the communities that we serve. Our deliberations have been extensive, and I want to use this statement to be transparent with you about our decision-making.

As ever, we have been guided by the principles of our Fair Pay agenda and, in particular, the importance of properly recognising the contribution of our junior colleagues. You can read more about our approach to fairness in our third annual Fair Pay Report, published alongside this document. Consistent with previous years, we have also published our UK pay gap figures and a narrative explaining them.

### Performance

Rewarding sustainable performance remains a crucial aspect of the way the Committee considers its decisions. We recognise the pandemic's impact on our financial performance, with reductions in PBT and RoTE following a number of years of sustained annual improvements<sup>a</sup>. We are however proud of what we have achieved as an organisation in a truly difficult year. Not only have we remained fully open for business, supporting our customers and clients as they navigate the pandemic, we have demonstrated ourselves to be extremely resilient, remaining profitable in each quarter despite the challenging macroeconomic environment, while continuing to demonstrate a capacity for strong capital generation. Consequently, we have today announced a total payout equivalent to c.5p per share, comprising a 1.0p 2020 full year dividend and the intention to initiate a share buyback of up to £700m which I know will be welcome.

We have entered 2021 in a position of strength and stability for the future; well capitalised and importantly well-positioned to support an economic recovery.

Our business diversification has meant that our investment banking businesses have been able to benefit from the increased volatility and wider trading margins observed during 2020. This, together with strong relative performance as evidenced particularly by the continued improvement in Markets market share<sup>b</sup>, has meant that these businesses have significantly outperformed expectations. Income in our Markets businesses is up 45% year on year and in Banking, income is up 8% year on year – the biggest annual improvements since the reconfiguration of those businesses.

As a result, Group income was up on 2019 despite an incredibly challenging year for our Corporate Bank and consumer businesses, impacted as they were by lower income and materially higher impairment charges in the wake of the COVID-19 pandemic. This capacity for one part of the Group's performance to offset another is an illustration of the benefits of the diversification that is inherent in our universal banking model. This has helped our ability to support the economy and society at a time of acute need.

As set out in Nigel Higgins' and Jes Staley's letters to shareholders, we have delivered an enormous amount of financial support for our customers and clients this year, including facilitating c.£27bn of finance to British businesses, waiving millions of pounds in fees for customers and helping corporate clients and governments raise billions to strengthen their balance sheets (underwriting c. £1.5 trillion of new issuance<sup>c</sup>). We have been able to do a significant amount for wider society too, whether through the launch of our £100m COVID-19 Community Aid Package, or in the steps we have taken on the road to becoming a net zero bank by 2050.

### Notes

a Excluding L&C.

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

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



You can find more information on our approach to pay fairness in our Fair Pay Report at [home.barclays/annualreport](https://home.barclays/annualreport)



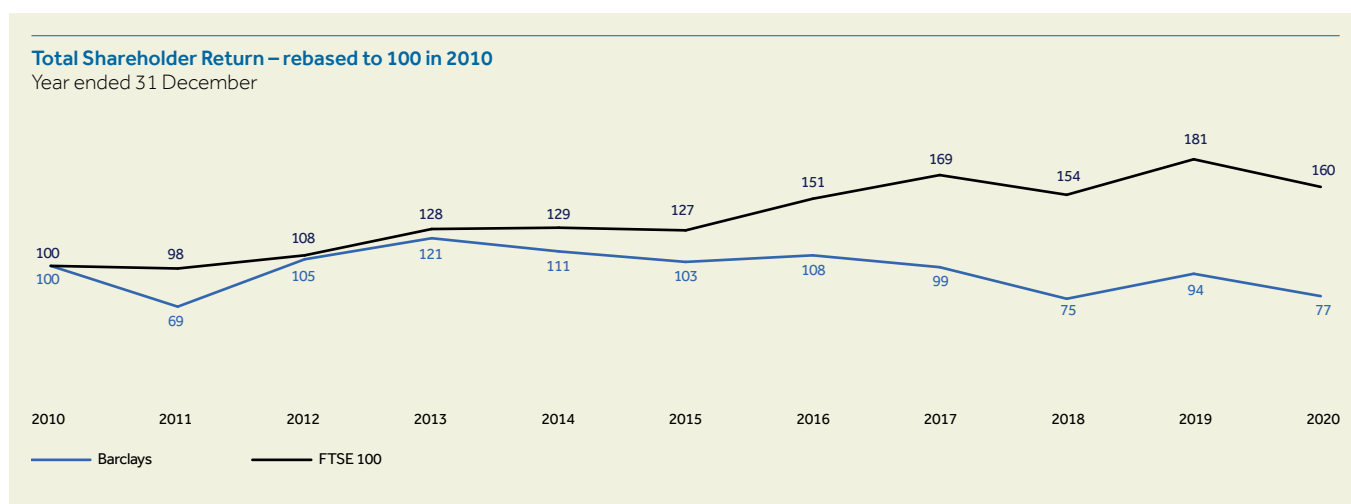
Our UK pay gap figures for 2020 and narrative explaining them are available at [home.barclays/diversity](https://home.barclays/diversity)



## Additional remuneration disclosures

### Group performance graph and Group CEO remuneration

The performance graph below illustrates the performance of Barclays over the financial years from 2011 to 2020 in terms of Total Shareholder Return compared with that of the companies comprising the FTSE100 index. The index has been selected because it represents a cross-section of leading UK companies.



The table below presents the single figure for remuneration and annual incentive and long-term incentive plan outcomes for the Group Chief Executive over the past 10 years.

Year	2011	2012		2013	2014	2015		2016	2017	2018	2019	2020	
	Robert Diamond	Robert Diamond	Antony Jenkins	Antony Jenkins	Antony Jenkins	Antony Jenkins	John McFarlane	Jes Staley	Jes Staley	Jes Staley	Jes Staley	Jes Staley	
Group Chief Executive													
Single total remuneration figure CEO	11,070 <sup>a</sup>	1,892	529	1,602	5,467 <sup>c</sup>	3,399	305	277	4,233	3,873	3,362	5,929	4,013
Annual bonus award as a % of maximum	80%	0%	0%	0%	57%	48%	N/A	N/A	60%	48.5%	48.3%	75%	38.6%
Long-term incentive plan vesting as a % of maximum	N/A <sup>b</sup>	0%	N/A <sup>b</sup>	N/A <sup>b</sup>	30%	39%	N/A <sup>b</sup>	N/A <sup>b</sup>	N/A <sup>b</sup>	N/A <sup>b</sup>	N/A <sup>b</sup>	48.5%	23%

#### Notes

a This figure includes £5,745k tax equalisation as set out in the 2011 Remuneration Report. Robert Diamond was tax equalised on tax above the UK rate where that could not be offset by a double tax treaty.

b Not a participant in a long-term incentive award which vested in the period.

c Antony Jenkins' 2014 pay is higher than in earlier years since he declined a bonus in 2012 and 2013 and did not have LTIP vesting in those years.

### Group CEO pay ratio

The table shows the ratios of the Group Chief Executive's total remuneration to the remuneration of UK employees since 2018. The change in the pay ratios for 2020 is explained in more detail below.

	Option	25th percentile	Median	75th percentile
2020	A	137 x	90 x	51 x
2019	A	213 x	140 x	77 x
2018	A	126 x	85 x	45x

The regulations provide three options which may be used to calculate total pay for the employees at the 25th percentile, median and 75th percentile. Following guidance issued by some proxy advisers and institutional shareholders, we have selected Option A to calculate total pay for each calendar year using the employee population on the 31st of December of each respective year.

Option A calculates total pay for all employees on the same basis as the single figure for remuneration is calculated for Executive Directors. Total pay for each employee includes earned Fixed Pay, which is made up of salary, Role Based Pay (RBP) and relevant allowances, annual incentives awarded for the 2020 calendar year, and an estimate of pension and benefits for 2020. Other elements of pay such as overtime and shift allowances have been excluded as previously. The estimate of pension for each employee is based on the percentage currently available to new hires in the UK (between 10% for the more senior and 12% for the more junior Corporate Grades). The estimate of benefits is based on the cost of core benefits available at each Corporate Grade, including private medical insurance, income protection and life assurance. Calculations use full-time equivalent pay data taken from our HR systems for all employees.

## Notes to the financial statements

# Scope of consolidation

The notes included in this section present information on the Group's investments in subsidiaries, joint ventures and associates and its interests in structured entities. Detail is also given on securitisation transactions the Group has entered into and arrangements that are held off-balance sheet.

### 34 Principal subsidiaries

The Group applies IFRS 10 *Consolidated Financial Statements*. The consolidated financial statements combine the financial statements of the Group and all its subsidiaries. Subsidiaries are entities over which the Group has control. Under IFRS 10, this is when the Group is exposed or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity.

The Group reassesses whether it controls an entity if facts and circumstances indicate that there have been changes to its power, its rights to variable returns or its ability to use its power to affect the amount of its returns.

Intra-group transactions and balances are eliminated on consolidation and consistent accounting policies are used throughout the Group for the purposes of the consolidation. Changes in ownership interests in subsidiaries are accounted for as equity transactions if they occur after control has been obtained and they do not result in loss of control.

The significant judgements used in applying this policy are set out below.

#### Accounting for investment in subsidiaries

In the individual financial statements of Barclays PLC, investments in subsidiaries are stated at cost less impairment.

Principal subsidiaries for the Group are set out below. This includes those subsidiaries that are most significant in the context of the Group's business, results or financial position.

Company name	Principal place of business or incorporation	Nature of business	Percentage of voting rights held %	Non-controlling interests – proportion of ownership interests %	Non-controlling interests – proportion of voting interests %
Barclays Bank PLC	United Kingdom	Banking, holding company	100	2	–
Barclays Bank UK PLC	United Kingdom	Banking, holding company	100	–	–
Barclays Bank Ireland PLC	Ireland	Banking	100	–	–
Barclays Execution Services Limited	United Kingdom	Service company	100	–	–
Barclays Capital Inc.	United States	Securities dealing	100	–	–
Barclays Capital Securities Limited	United Kingdom	Securities dealing	100	–	–
Barclays Securities Japan Limited	Japan	Securities dealing	100	–	–
Barclays US LLC	United States	Holding company	100	–	–
Barclays Bank Delaware	United States	Credit card issuer	100	–	–

The country of registration or incorporation is also the principal area of operation of each of the above subsidiaries.

Ownership interests are in some cases different to voting interests due to the existence of non-voting equity interests, such as preference shares. Refer to Note 30 for more information.

Determining whether the Group has control of an entity is generally straightforward based on ownership of the majority of the voting capital. However, in certain instances, this determination will involve judgement, particularly in the case of structured entities where voting rights are often not the determining factor in decisions over the relevant activities. This judgement will involve assessing the purpose and design of the entity. It will also often be necessary to consider whether the Group, or another involved party with power over the relevant activities, is acting as a principal in its own right or as an agent on behalf of others.

There is also often considerable judgement involved in the ongoing assessment of control over structured entities. In this regard, where market conditions have deteriorated such that the other investors' exposures to the structure's variable returns have been substantively eliminated, the Group may conclude that the managers of the structured entity are acting as its agent and therefore will consolidate the structured entity.

An interest in equity voting rights exceeding 50% would typically indicate that the Group has control of an entity. However, the entity set out below is excluded from consolidation because the Group does not have exposure to its variable returns.

Country of registration or incorporation	Company name	Percentage of voting rights held %	Equity shareholders' funds £m	Retained profit for the year £m
Cayman Islands	Palomino Limited	100	–	–

This entity is managed by an external counterparty and consequently is not controlled by the Group. Interests relating to this entity are included in Note 35.