




Positioned for growth,  
sharing and success

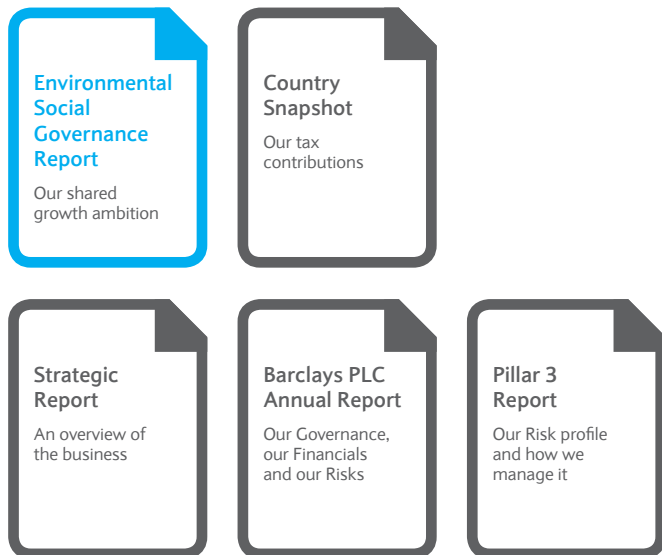
Barclays PLC

Environmental  
Social Governance  
Report 2017

# Where can I find out more?

You can learn about Barclays' strategy, our businesses and performance, approach to governance and risk online, where latest and archived Annual and Strategic Reports are available to view or download.

 For further information and a fuller understanding of the results and the state of affairs of the Group, please refer to the full Barclays PLC Annual Report 2017 at [home.barclays/annualreport](http://home.barclays/annualreport)



## What's inside

- 02 Our approach
- 07 Our strategic priorities
- 29 Global Reporting Initiative (GRI) disclosures
- 67 KPMG Assurance Statement

### Status of the ESG Report 2017

The Environmental Social Governance (ESG) Report provides additional information on key non-financial topics and forms part of the Barclays PLC Annual Report suite. This report should be read in conjunction with the Annual Report at [home.barclays/annualreport](http://home.barclays/annualreport)

Details on how to obtain a copy of the full Barclays PLC Annual Report 2017 can be found in the Shareholder enquiries section.

### Assurance

KPMG LLP undertook a limited assurance engagement over selected performance information in this report. Refer to their statement on page 67.

# About this report

The Environmental Social Governance (ESG) Report provides additional information on key non-financial topics and forms part of the Barclays PLC Annual Report suite. This report should be read in conjunction with the Annual Report.

We recognise specific stakeholder interest in more detailed disclosures on non-financial matters, including material environmental and social topics. This document provides additional data and acts as a guide to supporting information in the Annual Report and other disclosures.

We continue to enhance non-financial reporting across our disclosures, with increased information on material topics, non-financial performance measures and both regulatory and voluntary disclosures on gender pay, modern slavery and climate change. The ESG Report has also been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) G4 Guidelines as set out on page 29.

We have presented the results of the 2017 GRI materiality assessment below, and allocated each one of the material topics into an environmental, social or governance category. Further detail on the process can be found on page 33.

This report provides a summary of relevant **Governance** information with links to detailed disclosures in the 2017 Director's report, part of the Annual Report. Additional disclosures including Barclays corporate governance framework, code and rules, policies and Board responsibilities are available online at [home.barclays/about-barclays/barclays-corporate-governance](http://home.barclays/about-barclays/barclays-corporate-governance)

Information on **Environmental** topics can be found primarily on pages 64 to 66. More information on all **Social** topics can be found primarily within the GRI's social indicator pages 56 to 59 and in the Annual Report.

A range of case studies, research, policies and additional disclosures are available at [home.barclays/citizenship](http://home.barclays/citizenship)

## Reporting

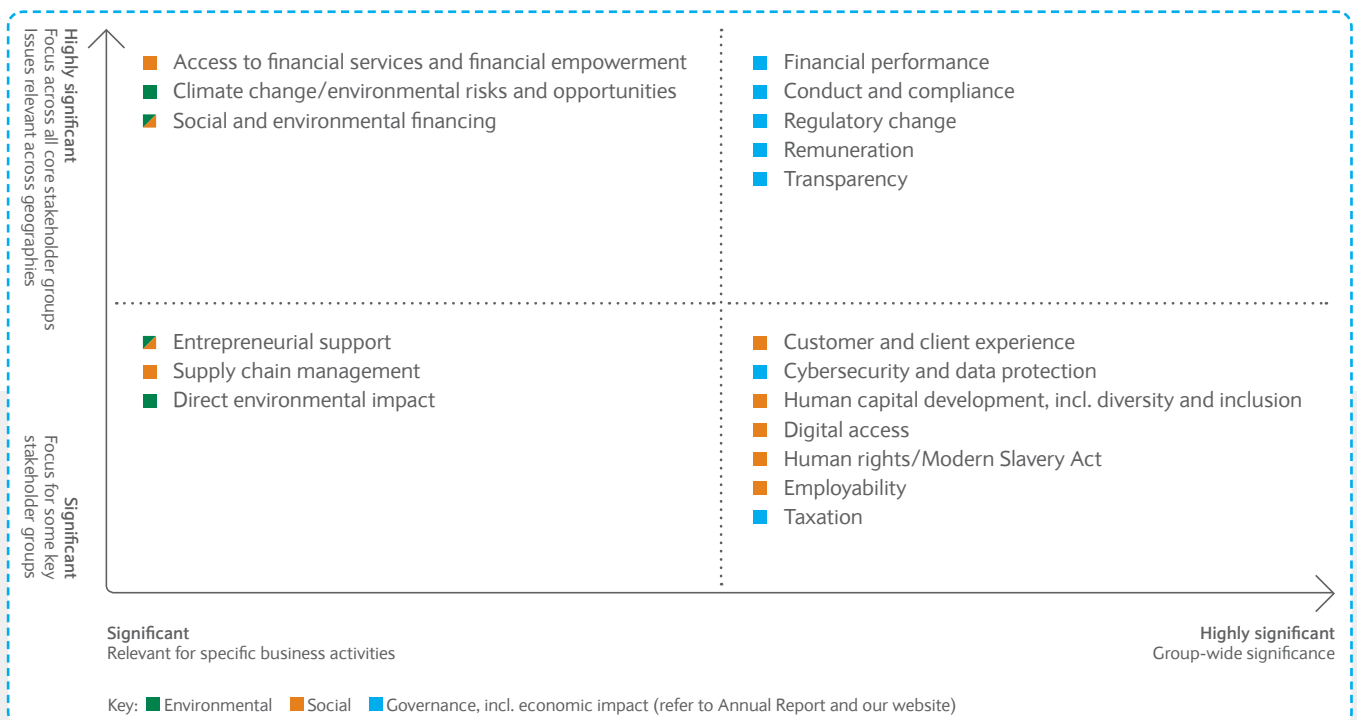
We continue to report against our goals using a range of quantitative and qualitative indicators, tracking both the outputs and, where possible, the outcomes of our activity.

Barclays has engaged KPMG LLP to undertake a limited assurance engagement over selected performance information in this report. Refer to their statement on page 67.

We continue to report against our goals using a range of quantitative and qualitative indicators.

## Materiality matrix

Every year, we review our materiality matrix in order to align it with current trends and the changing context of the business, and to ensure that it reflects feedback from ongoing stakeholder engagement.



Following this year's review, we have confirmed that the existing materiality matrix continues to reflect the relevance and prioritisation of the key material issues (note that the list of themes within each quartile is not organised by level of importance).

## Our approach

# We create value for our stakeholders and deliver broad economic benefits to society

**Barclays PLC Group operates via two clearly defined divisions – Barclays UK and Barclays International – with a diversified business model that we believe helps enhance our resilience to changes in the external environment.**

### Building on our strong foundations

The strategy of Barclays PLC Group is to build on our strength as a transatlantic consumer and wholesale bank, anchored in our two home markets of the UK and US, with global reach. Our two clearly defined divisions, Barclays UK and Barclays International, provide diversification to our business model; we believe that combining consumer and wholesale businesses, as well as accessing geographic diversification, provide real advantages to both the Group and our investors and help contribute to the delivery of more consistent and sustainable returns through the business cycle.

Consistent with the objective of delivering long-term sustainable value for our stakeholders, we continue to pursue our Shared Growth Ambition – our approach to citizenship and sustainability. The objective is to make decisions and do business that provide our clients and customers, and the communities which we serve, access to a prosperous future.

### We will do this in specific ways, by supporting:

1. **Access to financing** – this helps to fund crucial social and environmental infrastructure, while creating opportunities for us in growing markets.
2. **Financial and digital empowerment** – this ensures customers and communities can benefit from financial and digital services.
3. **Access to employment** – this addresses a major global challenge, whilst also building long-term wealth in the communities in which we operate.
4. **The way we do business** – running our business responsibly and managing our broader social and environmental impacts.

Working together, all these factors help drive sustainable growth in our economies – growth that is inclusive and meets societal challenges.

### How do we measure the success of the Strategy?

Barclays performance measurement framework reflects a balance of key financial performance metrics and broader strategic non-financial measures. Our framework is focused on achieving positive and sustainable outcomes for our diverse group of stakeholders.

#### Financial performance metrics

The financial metrics are aligned to Barclays PLC Group financial targets, updated in Q3 2017, and are reported quarterly as part of our financial results. Achieving our targets is consistent with our aim of generating long-term sustainable returns for the shareholders of Barclays PLC Group.

#### Strategic non-financial performance measures

Non-financial measures are an important element of how we evaluate our progress towards achieving our ambition of delivering a sustainable business for all our stakeholders. We focus on the impact we have on our customers and clients, colleagues, and the benefit we bring to society via our citizenship activity. These measures are underpinned by how we behave towards all our stakeholders, through our conduct and our culture. To assess our performance, progress towards delivering positive outcomes for our stakeholders is informed by a number of sources including internal dashboards, regular management reporting and external measures, to help provide a balanced review of performance.



Please see the Strategic Report for further information.

## We draw on the following to support our activities and deliver value to our stakeholders:

- the strength and reputation of our brand – serving customers and clients for over 325 years
- a strong, well-funded and diversified balance sheet
- customer and client relationships built on trust
- a solid track record of successfully innovating for customers and clients
- our geographic focus: firmly anchored in the two financial centres of London and New York, with global reach
- the skills and expertise of our people and our shared values which inform the way we work and how we act

The skills and trust in our staff helps us, through a range of initiatives, increase financial literacy



We aim to provide superior services to help customers and clients create, grow and protect wealth in a sustainable way:

Barclays' customers and clients include: individuals, small- and medium-sized businesses, large corporates and multi-national companies, financial institutions and banks, institutional investors, funds, sovereign institutions and governments

We offer:

- a safe place to save, invest and manage cash and payments
- innovative digital and technology capabilities
- funding for purchases and growth
- management of business and financial risks
- financial and business support

Our business services are tailored to help support SMEs and entrepreneurs, creating wealth



We support our stakeholders via a commercially successful business that generates long-term sustainable returns:

- our services generate revenue via net interest income and non-interest income, including fees and commissions as well as trading and investment income through our wholesale activities
- we are a large financial institution and provide diversification by business line, geography and customer
- we aim to capture the benefits of diversification through efficient delivery of cross-group synergies

Meeting the demands of our customers around sustainable investment drives sustainable value



We aim to deliver a broad spectrum of value through the way we do business, including:

- superior service to enable customers and clients to achieve their ambitions
- challenging and fulfilling careers for our people in a values-driven organisation
- long-term sustainable returns for our investors
- we work together with regulators to help reduce risk in the industry and provide a more sustainable banking landscape over the long term
- employment and growth in the economies in which we operate
- engagement with governments and society in general to address societal issues and needs

Innovation through our products and services is helping increase access to finance and generating dividends and returns

# Our approach

## Performance summary

### Access to financing

**£31.7bn<sup>△</sup>**

Barclays helped clients raise capital or provided lending facilities across a range of social and environmental segments.



Measure tracks financing volume in selected social and environmental segments based on a use of proceeds framework.

Total financing volumes were up by 4% versus 2016 with several innovative transactions and the launch of new products during 2017.



Please see pages 7 to 11 for further information.

### Financial and digital empowerment

**205,180**

Helped empower people through a range of product and financial and digital skills initiatives.



Measure tracks the number of individuals and small businesses with improved access to financial and digital empowerment products and services.

Continued to deliver on key initiatives with a reduction in financial and digital learning platform activity in 2017 with plans to review strategy in 2018.



Please see pages 12 to 15 for further information.

### Access to employment

**2,117,400<sup>△</sup>**

Barclays is committed to enhancing supply, by helping people gain access to skills, and facilitating demand, by supporting entrepreneurs to drive job creation.



Measure tracks number of people upskilled and supported through our flagship LifeSkills programme in the UK and Connect with Work programme in the UK, Americas and Asia.

Total participation in employability initiatives increased by 25% versus 2016, driven by growth in LifeSkills in the UK and Connect with Work programmes in the UK, Americas and Asia.



Please see pages 16 to 19 for further information.

### The way we do business

**99.9%<sup>△</sup>**

of our colleagues completed training on the Barclays Way Code of Conduct.

**89%<sup>△</sup>**

of suppliers paid on time.

**26.1%<sup>△</sup>**

reduction in global carbon emissions versus the 2015 baseline.

#### Barclays Way training



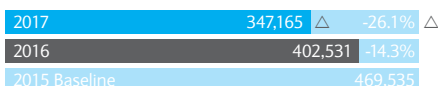
Completion of mandatory training with annual attestation.

#### Supplier payment on time



45 days by invoice value, three month rolling average.

#### Carbon emissions



We track a range of metrics focused on training our colleagues on our Code of Conduct, paying our suppliers on time and reducing carbon emissions.

In 2017 we reduced our carbon emissions by 26.1% against the 2015 baseline (2016: 14.3%), making good progress towards our 30% target by 2018. Reductions were achieved from energy efficiency projects, property disposal, travel savings and reduction in grid emission factors.



Please see page 43 and pages 56 to 66 for further information.

△ Within KPMG's limited assurance scope. Please see page 67. See the Shared Growth reporting criteria for metric definitions and basis of preparation available at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html)

#### ESG ratings and benchmarks

MSCI

**BBB**

**2016: BBB**  
ESG rating maintained at BBB for 2017.

See page 28 for further information.

Dow Jones Sustainability Indexes

**83/100**

**2016: 84/100**  
Maintained inclusion in Dow Jones Sustainability World Index series.

FTSE4Good

**4.3/5**

**2016: 3.9/5**  
FTSE4Good Index series ESG rating absolute score increased.

Sustainalytics

**61**

**2016: 62**  
Score reduced by one point.

# Our approach

## Board and CEO introductions



The past year has been a productive one for the Board Reputation Committee in shaping our global Citizenship agenda. We take this responsibility seriously as part of Barclays' commitment to the societies in which we operate, both because it is the right thing to do, and it is integral to our collective success.

I'm pleased to report that we have made significant progress in the past year, having conducted quarterly reviews of citizenship performance, undertaken deep dives in several areas with a reputational, conduct or culture lens, and updated our company statement on modern slavery.

We take this responsibility seriously as part of Barclays' commitment to the societies in which we operate.

We've also assessed how we perform in Environmental Social Governance (ESG) benchmarks, compared with our competitors. We've reviewed new initiatives such as our #Digisafe campaign, part of ongoing efforts to protect and educate our customers and clients against the risks of digital fraud.

The Committee has asked management to develop sector-specific sustainability statements and policies over the coming year and we have committed to implementing the Task Force on Climate-related Financial Disclosures recommendations.

I am grateful to my fellow Committee members for their work, and look forward to continuing to shape Barclays' contribution to a more sustainable and equitable future for our society.

Sir Gerry Grimstone  
Deputy Chairman, Senior Independent Director,  
Chairman of the Board Reputation Committee



I have worked in banking for some 38 years, and I can say with conviction that the way Barclays does business, constantly seeking to earn the trust of every customer, client and community we serve, is truly extraordinary.

When the societies where we operate succeed, Barclays succeeds. That is why, for over three centuries, this great institution has risen to the challenges that our communities face, and played our part in meeting them.

Supporting the ambitions of customers, clients, and communities is not just the right way to act, it also makes commercial sense. When the societies where we operate succeed, Barclays succeeds. That is why, for over three centuries, this great institution has risen to the challenges that our communities face, and played our part in meeting them.

In 2017, we celebrated the 20th anniversary of the Barclays Citizenship Awards – a year which saw over half of our colleagues take part in volunteering, fundraising or giving programmes. To date, Barclays LifeSkills has reached over 5.5 million young people, our teams are developing innovative green finance products, and there are scores of other examples of our Citizenship agenda in practice, every day, as this report details.

I look forward to seeing what we can collectively achieve in the year ahead.


James E. Staley  
Group Chief Executive

# Future of energy

As the world's population grows to nine billion by 2050, we will need to find a new way to meet the energy demands of an increasing number of people in a sustainable way.

Through our Unreasonable Impact programme, we are supporting Off Grid Electric's (known locally as Zola) ambition to provide electricity to households not connected to the grid through a distributed solar model. Off Grid Electric are currently lighting the homes of over 50,000 people per month and scaling rapidly.

Supporting new and innovative forms of clean energy through this unique partnership with Unreasonable Impact.

 For more information on Unreasonable Impact, refer to page 17.





# Our strategic priorities

## Access to financing



See page 20 for an overview of how these initiatives contribute to addressing the SDGs

Context and approach

Shared growth ambition

General Standard Disclosures

Specific Standard Disclosures

KPMG Assurance Statement

### The challenge

Access to financing is necessary to fund crucial social and environmental infrastructure, whilst giving us opportunities in growing markets. There are significant financing requirements, with some estimates suggesting that \$94trn in global infrastructure investment is needed by 2040 to manage economic and demographic changes<sup>a</sup>. \$5–7trn of additional investment per year is necessary to meet the United Nations Sustainable Development Goals (SDGs) by 2030 for developing countries only<sup>b</sup>.

Our goal is to continue to create access to financing solutions.

### Our role

Barclays is well-placed to connect providers of capital with users, helping to address the key challenge of accessing finance. We have a range of business lines that deliver solutions addressing some of the most critical social and environmental challenges. These initiatives are relevant not only to the capital markets and financing franchises in the Corporate and Investment Bank (CIB), but also include funding for entrepreneurs and small businesses in Barclays UK.

As new solutions are developed to tackle global social and environmental challenges, a need arises for access to financing solutions in order to achieve commercialisation and scale. Sustainability factors are also of increasing interest to institutional and individual investors, both of which are exploring avenues that will allow them to create a positive impact, whilst also generating financial returns.

### Our ambition

Our goal is to continue to create access to financing solutions for areas including: environmental financing via the capital markets and lending for clean energy, water and low carbon technologies; social infrastructure; national and supranational development institutions; and small business financing. We will also continue to support our green bond Treasury portfolio and the Barclays Social Innovation Facility, which aims to develop products and services that provide social and environmental benefits as well as commercial success.

There has been significant momentum across the Barclays franchise in 2017, including the launch of new green products, the issuance of Barclays inaugural green bond, a Multi-Impact Growth Fund for retail investors, and a range of innovative transactions and research.

### Progress to date

Ambition	Our focus	Progress
<b>Provide financial solutions</b>		
Deliver a range of financing solutions for social and environmental challenges	Social and environmental financing solutions	<ul style="list-style-type: none"> <li>Executed a range of innovative transactions across products and geographies including the first solar project bond from India and the first Green Asset Backed Security (ABS) structured by Barclays</li> </ul>
Develop innovative products	Launch new green and sustainable finance products	<ul style="list-style-type: none"> <li>Established Green Banking Council to drive commercial propositions across the firm</li> <li>Launched suite of industry-leading Green Products including loans, deposits and asset finance</li> <li>Launched industry-first Multi-Impact Growth Fund providing impact investing access for retail investors</li> <li>Issued Barclays PLC inaugural green bond, the first by a UK bank using UK assets</li> <li>Released Barclays Green Product Framework to outline eligible environmental categories</li> </ul>
Research and thought leadership	Provide compelling and differentiated research on sustainability and ESG themes	<ul style="list-style-type: none"> <li>Developed ESG Impact Series reports and launched new research on the water challenge</li> <li>Published several thematic reports including disruptive mobility and long-term forecasts for renewable energy</li> </ul>
Support global and regional initiatives	Work in partnership with key stakeholders	<ul style="list-style-type: none"> <li>Enhanced focus on public policy with submissions to the UK Government and the EU on green and sustainable finance topics</li> <li>Joined the UK Government's Green Finance Taskforce and the City of London's Green Finance Initiative</li> <li>Endorsed Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and participating in several forums and pilot projects</li> </ul>

#### Notes

- a Global Infrastructure Outlook 2017, Global Infrastructure Hub.
- b UN World Investment Report 2014.

# Our strategic priorities

## Access to financing

### Programme highlights

#### Sustainable financing

In the second year of our Shared Growth Ambition, Barclays helped clients raise capital or provided lending facilities across a range of social and environmental segments, including environmental and renewable energy projects. We supported social infrastructure such as housing and education financing to supranational and global development organisations. Their missions, through education, health, environment and infrastructure, must be rooted in shared economic growth and social equality.

In addition, we lend to Small and Medium-sized Enterprises (SMEs) in the 25% most economically deprived areas of the UK<sup>a</sup>. This will help them to develop and grow, creating jobs and accelerating economic growth in their local communities.

We will continue to execute on this commitment to drive new sources of sustainable growth, deliver financing to key solutions and enable Barclays to generate returns by acting as an intermediary in mobilising significant flows of capital.



We drive new sources of sustainable growth by mobilising significant flows of capital that are linked to social and environmental outcomes.

#### Financing social infrastructure

Barclays offers financing solutions for a number of businesses and governments, which generate positive social outcomes, including supranational agencies, municipalities, healthcare systems, universities, social housing authorities, and other not-for-profit organisations, amongst other areas.

The Sovereign, Supranational and Agency (SSA) market remains a key source of ESG bonds, primarily in green and social format. Demand for these transactions remained robust throughout 2017 and we expect follow on issuance from a broad range of SSA issuer clients in 2018 as many Agency and Supranational borrowers have now established programmes.

The demand from the investor base remains larger than the volume of supply, and we continue to see favourable secondary market trading characteristics of the green and social bonds for select issuers. 2017 saw increased interest from the sovereign borrower community, and we anticipate increased participation from this issuer type going forward. Select transactions in 2017 include:

- We helped France price an inaugural 22-year green bond for €7bn (largest and longest-dated benchmark green bond ever issued at the time of its issuance), which confirmed France's role as a driving force for the implementation of the goals of the December 2015 Paris Climate Agreement.

Barclays continues to provide innovative solutions to US State Housing Finance Agencies (HFAs) seeking to finance their affordable housing programs. These programs are vital to local communities by helping to ensure the availability of clean and safe housing for low and moderate income families. In the fourth quarter of 2017, Barclays led several new bond issues in this space, including:

- Approximately \$140m for an HFA located in the midwest and another \$50m for an HFA in the northeast, both of which are applying the proceeds toward first-time homebuyer and affordable housing loans
- Approximately \$40m for a Western HFA, which refunded existing bonds. The resulting debt service savings was then utilised to provide a yield subsidy for new loans under the HFA's single family housing programme.

In the UK, Barclays has been an active supporter of the Social Housing sector for 25 years. Our relationships are led through Relationship Directors across the UK where our industry knowledge allows us to deliver financing solutions to our clients across bank and capital market funding to help with the delivery of new affordable housing. We have been active in a range of transactions in 2017, including a new £50m lending mandate for PA Housing Group to assist with an on-going development programme. The Group owns and manages c.23,000 homes across the Midlands, Greater London and the South East.

£31.7bn<sup>△</sup>

2017 total financing

Financing in select social and environmental segments (€bn)<sup>b</sup>

2017	31.7 <sup>△</sup>
2016	30.5

 In collaboration with Sustainalytics, a global provider of ESG and corporate governance research, ratings and analytics, we have developed a use of proceeds framework to define the qualifying social and environmental categories tracked as part of our financing commitments. The framework is available at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html)

#### Notes

- <sup>a</sup> Small business financing in the 25% most deprived areas of the UK – focusing on businesses within the scope of our submissions to UK Finance's (UKF) SME database.
- <sup>b</sup> Financing volume based on a use of proceeds framework. 2016 actuals have been restated due to the inclusion of new qualifying categories such as national development banks. See page 34 for further information.
- <sup>△</sup> Within KPMG's limited assurance scope. Please see page 67.

## Programme highlights

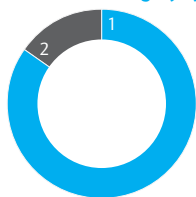


We deliver financing solutions to help our clients achieve their environmental goals.

Green bond offerings have met with strong investor demand, making them an attractive financing option for issuers.

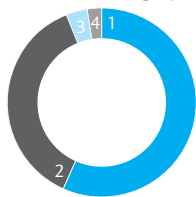
The Corporate Bank has supported the UK Government's Smart Meter Implementation Programme and the financing of over 1.2GW of clean energy in the UK in 2017. We acted in particular as a mandated lead arranger on the financing of the largest solar PV portfolio in Europe, a 522MW portfolio of UK-based solar assets for Octopus Energy Investments. We were also a mandated lead arranger on the financing of the 659MW Walney Extension Offshore Wind farm for Ørsted, PFA and PKA, which will become one of the world's largest offshore wind farms once fully constructed.

### 2017 Financing by type



	£bn
1 Social <sup>a</sup>	26.86
2 Environmental <sup>a</sup>	4.82

### 2017 Financing by region



	£bn
1 Europe	18.0
2 Americas	11.83
3 Asia	1.14
4 RoW	0.72

### Green bonds and environmental financing

Green bonds are fixed income securities designed to raise capital to finance environmental projects. Barclays has been active in issuing green bonds for a variety of clients including municipalities, corporations and supranational organisations.

#### Note

<sup>a</sup> Social categories include supranational and national development finance institutions, social housing, education and small business lending in UK deprived areas. Environmental categories include labelled green bond origination, other capital markets solutions and lending to eligible environmental themes.

2017 was an active year for green bond issuance as the market continues to expand and mature. The growth of the market was driven by both investor demand and new issuers. From an investor perspective, there is strong demand from both institutional and retail investors for socially responsible investment opportunities and a desire to support sustainable companies. Issuers are becoming more aware of the benefits of green bond issuance, which includes access to a new and more diverse investor base. Green bond offerings have met with strong investor demand, making them an attractive financing option for issuers. Select transactions in 2017 include:

- We helped Azure Power, which developed India's first private utility scale solar power project and has a current portfolio of over ~1,000MWs, and who we took public in December 2015, raise an additional \$500m through green bonds. The transaction represents the first solar green bond issuance by an Indian company. This transaction also won the Global Capital Asia Regional Capital Markets Awards for the Best High Yield Bond.
- Barclays served as Structuring Agent and Joint Bookrunner on HERO 2017-3, Renovate America's c.\$301m securitisation of Property Assessed Clean Energy (PACE) Bonds. The transaction represented a milestone in progressing Barclays' clean/renewable energy agenda and our first structuring lead mandate in the PACE ABS sector. The deal also priced at historical tight levels for the asset class and further broadened the universe of investors active in Renovate's securitisation programme. Given robust investor demand for green bonds and strong market fundamentals, issuance of PACE ABS green bonds is expected to remain strong in 2018.

## 1.2GW

### of clean energy financed in the UK in 2017

Given Barclays' geographical footprint and product suite, multiple business lines are actively involved in delivering innovative solutions across product groups that help our clients achieve their environmental goals.

During 2017, we have significantly increased our focus on developing new climate opportunities, including the launch of a suite of industry-leading Green Products. We established a Green Banking Council as a platform to develop and coordinate commercial propositions across the firm. Products launched include:

- Green Loans, targeting larger clients who need loans of more than £3m across the UK
- International Green Loans, helping international clients invest in green projects around the world
- Green Asset Finance, allowing clients to access more flexible ways of financing assets that support green initiatives
- Green Innovation Finance, backed by the European Investment Fund, aimed at providing funding for SME clients
- Green Deposits, which are linked to green bonds that Barclays purchase through our central Treasury team.

The products were developed using 'Barclays Green Product Framework', in collaboration with Sustainalytics – a leading provider of environmental, social, and corporate governance research and ratings. See page 53 for further detail on our Green Products.

## Our strategic priorities

# Access to financing

### Supporting global and regional initiatives

We recognise that private and public-sector actors are continuing to identify innovative solutions, and develop supportive policy frameworks, to enable the transition to a more sustainable global economy. We aim to partner with our clients and other stakeholders to navigate these trends, and deploy both our intellectual capital and convening power. We will continue to support global partnerships such as the United Nations Environment Programme Finance Initiative (UNEP FI), Equator Principles and the Banking Environment Initiative.

During 2017, Barclays increased our external engagement and contribution to multi-stakeholder initiatives, including the EU High Level Expert Group consultation on Sustainable Finance, the TCFD consultation and joined the UK Green Finance Initiative.

### Stakeholder engagement

Barclays has long-recognised the importance of pursuing environmentally-friendly practices, and overtly supporting the transition to a low-carbon future. We welcome the momentum building around Green Finance in particular, as a critical route to tackling climate change both in the UK and globally. To support the growth of Green Finance, we are members of a number of industry bodies.

Barclays has long recognised the importance of pursuing environmentally-friendly practices, and we welcome the momentum building around Green Finance.

We are a member of the City of London's Green Finance Initiative (GFI), and chair the Banking workstream which has a clear focus on developing the UK's green loan market, and exploring themes such as standard definitions and the potential for securitisation. We're pleased to see the GFI bolster London as a Green Finance hub, usefully bridging the gap between the City of London and the UK Government.

Barclays endorsed the TCFD recommendations with a commitment to enhance our climate-related disclosures, and improve our management and reporting of climate-related risks (see page 25).

In 2017 we submitted an entirely Green-oriented Budget Submission for consideration by the UK Government, containing a number of headline suggestions on everything from greening the UK's transport infrastructure, to ensuring parity of ambition between the UK and EU on environmental issues.

In support of the Government's efforts on Clean Growth, in 2017 we also joined the Government's Green Finance Taskforce to galvanise the work of the financial services industry in tackling climate change, and to create meaningful public policy priorities for the Government to pursue, in support of the transition to a low-carbon future.

### Managing broader social and environmental impacts

Barclays has client relationships across a range of industry sectors and we have processes in place to manage environmental and social considerations. We do not exclude entire sectors; to do so would be impractical given that many of our larger corporate clients are multifaceted and can have dynamic portfolios of businesses, which may change according to shifts in markets or business model. We prefer to assess relationships or transactions on a case-by-case basis, identifying relevant merits and taking into account material, social and environmental risks and issues.



Please see pages 45 to 47 for further information on processes applied to manage social, environmental and reputation risk in transactions.

## Barclays Green Banking Council

2017 was a significant year for Green Finance at Barclays. Through the concerted effort of a number of key individuals, and the leadership of Rhian-Mari Thomas, Chair of Barclays Green Banking Council, we developed a suite of Green products and services to support our clients' in meeting their commercial and environmental ambitions. First convening in January 2017, the Council had a clear vision: to establish Barclays' leadership in Green Finance through innovative products designed to support our clients' transition to a low-carbon future. Since its creation, it has become a group-wide initiative which has utilised the skills and experience of 150+ colleagues, who have merged their personal and professional interests and abilities to deliver a first-to-market suite of Green Products.

The work of the Council has strengthened Barclays ambitions as a key player in the Green Financing marketplace. In 2018, the Council intends to continue to develop new products, including in the retail and consumer banking space, and drive engagement with clients and other stakeholders on Green Finance opportunities.

## Managing the water challenge

A Barclays research report on how the energy industry can help protect water resources has driven significant client engagement and thought leadership. The report, 'The Water Challenge, Preserving a Global Resource', published on World Water Day (22 March) 2017 in partnership with the Columbia Water Center at Columbia University was one of the most widely read Barclays research reports of 2017. The report analysed financial and technical solutions for the energy industry to lower water-related costs and improve its fresh-water footprint. It featured several case studies of companies boosting economics as a result of innovative solutions and partnerships as well. The report was followed by our first annual Water Symposium in New York, which attracted over 100 clients. The 2017 Barclays Water Symposium covered a range of critical topics facing investors interested in water, energy and the environment, with panel discussions with executives from leading oil and gas, industrial, and utility companies, as well as thought-leaders from academia, industry, government, and the military. The 2018 Water Symposium will take place in

Beijing on 22 March 2018 in partnership with Tsinghua University and will focus on critical issues surrounding China's water challenges. The plenary-style conference will include panels on financial solutions, infrastructure, technology, and the environment in China, and will also include speakers from government, industry, and academia. The research report and conference series strengthens Barclays' capacity in this critical space and has aligned the firm's commercial and citizenship agendas.

The Impact Series is funded by Barclays Social Innovation Facility. The report is available at [investmentbank.barclays.com/our-insights/rising-to-the-water-challenge.html](https://investmentbank.barclays.com/our-insights/rising-to-the-water-challenge.html)

# Our strategic priorities

## Case studies

### Treasury green bond portfolio

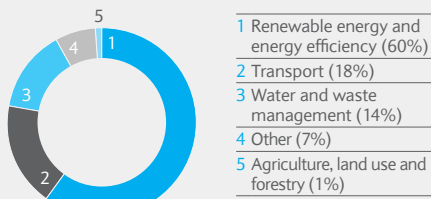
Barclays is committed to the green bond market as an investor, with one of the first and largest Treasury green bond investment commitments from a major bank of £2bn over time. The green bond Treasury portfolio held £1.56bn of green bonds at the end of 2017, up from £1bn a year before.

Barclays' Treasury department has expanded its green bond portfolio across various investment grade issuers including the European Investment Bank and KfW, the German government-owned development bank. Barclays has undertaken thorough due diligence to establish the social and environmental credentials of the proposed investment portfolio, including engaging with the issuers and also the leading NGO in this area, Climate Bonds Initiative. Based on reporting from issuers, we estimate that the green bond investment portfolio helps avoid 1.6 million tonnes of CO<sub>2</sub> emissions per annum<sup>a</sup>.

## £1.56bn

Total green bond Treasury portfolio

Green bond portfolio – underlying assets by sector



100% = £1.56bn

### Barclays inaugural green bond issuance

Barclays successfully priced and issued a 0.625% €500m green bond in November 2017. The first green bond issued by a UK bank, using UK assets, the transaction was well received, attracting a final order book of €1.85bn.

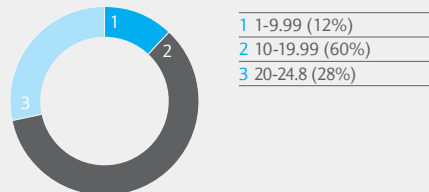
Proceeds of the issuance are to be allocated to the financing and refinancing of those Barclays residential mortgages on properties in England and Wales which are in the top 15% of the lowest carbon intensive buildings in these countries, based on estimated energy efficiency, as identified in Energy Performance Certificate (EPC) data published by the UK Government.

Barclays published its first green bond Investor Report in conjunction with the 2017 Annual Report publications. The Report provides detailed information on the eligible mortgage portfolio and is available at [home.barclays/barclays-investor-relations/treasury-and-capital/green-bonds.html](http://home.barclays/barclays-investor-relations/treasury-and-capital/green-bonds.html)

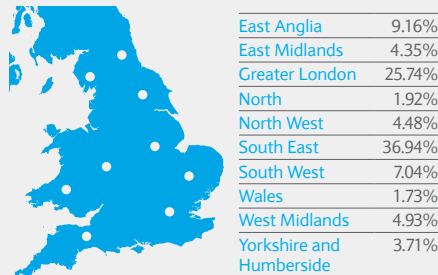
### Barclays green bond impact overview

As at 31 December 2017, Barclays' green bond pool contained 1,562 mortgage loans for residential properties with a nominal value of £442.3m. The average carbon intensity for Barclays allocated Eligible Mortgage Asset portfolio is 15.99 KgCO<sub>2</sub>/m<sup>2</sup>, almost 60% lower than the EPC dataset average of 40.40 KgCO<sub>2</sub>/m<sup>2</sup>, with the portfolio generating an annual carbon saving of almost 5,000 tonnes CO<sub>2</sub> or 9.95 tonnes of CO<sub>2</sub> emissions per every €1 million of bond proceeds allocated.

### Carbon intensity of Eligible Mortgage Asset portfolio (kgCO<sub>2</sub>/m<sup>2</sup>/year)



### Geographical distribution of Eligible Mortgage Asset portfolio



### Barclays Multi-Impact Growth Fund

In September 2017, Barclays launched an industry first with its new Impact Investing Fund, offering mainstream investors the opportunity to generate long-term capital growth while making a positive contribution to society.

The Multi-Impact Growth Fund, which received £5m seed funding from the UK's wholesale social investor, Big Society Capital, is the first impact investing vehicle of its kind from a major UK bank. An innovative product, it answers growing demand from mainstream investors who consider the societal effects of investments, but do not want to compromise seeking to generate market-rate financial returns. Barclays research has shown that whilst 56% of investors are interested in this type of product, only 9% have already made such an investment.

In November 2017, the Multi-Impact Growth Fund won an award at Investment Week's Sustainable Investment Awards 2017 for Innovation (Funds and Portfolios). The award recognises Barclays as an organisation at the forefront of product innovation in impact investing, where the rigour in the investment

process, as well as the potential for the Fund to bring impact investing to mainstream investors at scale, were among the aspects celebrated by the judges.

The launch of the Fund demonstrates Barclays' commitment to building our Impact Investing business – which has been recognised by the UK's National Advisory Board on Impact Investing, and the Advisory Group to the UK Government on Growing a Culture of Social Impact Investment.

To support this, Barclays made significant investment in the firm's capabilities during 2017, developing:

- a structured process to support client decision-making with regards to impact
- an online learning platform to educate advisers to work with clients
- ongoing research to better understand investor motivations and preferences
- impact-specific due diligence, to augment traditional investment assessments.

Overall, Barclays is seeking to enable clients, both individuals and organisations, to invest intentionally to protect and grow their assets, and to make a positive contribution to our world.

The launch of the Fund demonstrates Barclays commitment to building our Impact Investing business.

#### Note

a Figures are based on data published by issuers of green bonds. As part of their yearly disclosure exercise and in line with the green bonds principles, every issuer will publish an impact report. The portfolio impact represents the aggregation across all relevant impact reports of issuers from whom we hold green bonds in our portfolio. These numbers are prorated to reflect the size of our holding relative to the total green bond programme of the issuer.

# Our strategic priorities

## Financial and digital empowerment



See page 20 for an overview of how these initiatives contribute to addressing the SDGs

### The challenge

Inclusive financial systems are key to achieving economic and societal progress. Without access to finance, businesses cannot grow and individuals may face wider exclusion. However, there are several barriers that prevent people from accessing the financial services they need, including lack of credit history, individual debt levels, low financial capability and other factors such as disability or digital exclusion.

Improving individuals' financial understanding must occur alongside improving digital skills and access to digital services. Building confidence in using online or mobile banking tools and knowledge of effective money management techniques will all help improve individual financial empowerment. With as much as 23%<sup>a</sup> of the UK population lacking basic digital skills and with technology moving at an unprecedented rate, our customers and communities risk falling behind if they are not supported.

Individuals and businesses are facing further challenges due to the changing external environment, including uncertainty in the UK regarding the impact of leaving the EU, high levels of consumer debt, and new risks in the form of cybercrime. Changes to the way payments are made, for instance due to the second Payment Services Directive, mean that there is a risk of an awareness gap developing for customers.

The challenge is to help empower people and communities to have better access to basic financial services as well as the digital skills and financial knowledge they need to get involved in evolving technologies around money management. For example, those with the ability to shop around online for their utilities and who pay for their household bills online are able to save money and better manage their finances. It's likely that people with the necessary digital skills and financial knowledge will have increased personal resilience, financial capability and the ability to adapt to a changing environment.

### Our role

We recognise that fast-paced advances in technology have a significant impact on our customers and the communities that we work in. Our range of learning tools are helping us to improve financial health and digital literacy. As we continue to drive digital empowerment through our Barclays Digital Eagles network, we are actively reducing exclusion and enhancing access to a range of digital tools and services.

By developing products and services that are designed to support individuals and small businesses with financial challenges, like Barclaycard Initial and Barclaycard Anywhere, we are making financial services more accessible.

### Our ambition

We are keen to play a leading role in increasing access to financial services. We are doing this in two ways: through the creation of targeted and accessible products and services, and by enhancing financial and digital skills.

To achieve the first, we must ensure that we are developing financial products which address societal needs and that all our services are available for customers whatever their accessibility requirements.

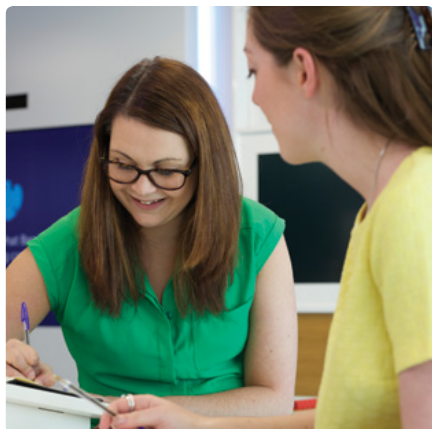
To achieve our second ambition, we are scaling up our online learning facilities, maximising the impact of our digital and financial health tools and delivering training in the communities that we work in.

Note  
 a Source: Digital Inclusion Dashboard (gov.uk/performance/digital-inclusion), based on research by Go ON UK/Ipsos Mori.

### Progress to date

Ambition	Our focus	Progress
Provide financial services to those with limited or no credit history	<ul style="list-style-type: none"> <li>Barclaycard Initial</li> </ul>	<ul style="list-style-type: none"> <li>Improved capability, for example helping customers better understand if they will be accepted prior to application by enhancing the eligibility checker experience</li> </ul>
Our services are accessible to all who need them	<ul style="list-style-type: none"> <li>Barclays wants to be the most accessible and inclusive company in the FTSE 100 and has an extensive and growing range of tools and features that enable customers with accessibility needs to bank independently wherever possible.</li> </ul>	<ul style="list-style-type: none"> <li>Additional customer support services launched such as the accessible PINsentry</li> </ul>
Improve access to financial and digital services	<ul style="list-style-type: none"> <li>Basic Current Account, savings and insurance products</li> <li>Family Springboard Mortgage</li> <li>Barclaycard Anywhere</li> </ul>	<ul style="list-style-type: none"> <li>Continued to develop products to support customer needs</li> </ul>
Enhance financial skills	<ul style="list-style-type: none"> <li>Financial health tools</li> <li>Barclays Finance Manager</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced tools and new services launched for customers, including partnerships with leading charities</li> </ul>
Improve credit health	<ul style="list-style-type: none"> <li>US FICO® with Barclaycard</li> </ul>	<ul style="list-style-type: none"> <li>Our 'Ask FICO®' discussion board, and our other credit score discussion boards, continued to receive consistent traffic with thousands of page views in 2017</li> <li>Fresh Start campaign with FICO®</li> </ul>
Improve digital skills of UK communities	<ul style="list-style-type: none"> <li>Barclays Digital Eagles</li> <li>Barclays Digital Wings</li> <li>Nationwide Digital Safety Advertising Campaign</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive activity to upskill customers on digital safety</li> </ul>

## Programme highlights



### Consumer debt

For customers who may face difficulties as a result of their individual debt levels or are struggling to access services due to a poor credit score, we have implemented a number of products, schemes and partnerships to assist. We also offer the Barclays Basic Current Account, which is part of our suite of simple products and is aimed at those who do not already have a bank account or who are not eligible for a standard account. There were more than 674,000 Barclays Basic Current Accounts open at the end of 2017. We work closely with partners in the free debt advice sector and have brought their insight into the business on a number of projects, including research and colleague training on financial vulnerability and how we can best match customers to the advice service that suits them. We are continuing work into 2018 to improve how we refer customers onto third parties for advice, and how through collaborative working in the free debt advice sector we can improve our customer journeys and outcomes.

### Tools to build financial empowerment

Throughout 2017 we have continued to work on improving our customers' financial capability through education, prompts and products. These help customers to develop the behaviours that will help them better manage their money. We continue to focus on how we can improve financial health by providing information to customers earlier, encouraging them to take steps to prevent getting into financial difficulties and offer specialist support to customers who are identified as being vulnerable.

Throughout 2017 we have continued to work on improving our customers' financial capability through education, prompts and products.

For example, this year we have updated our online financial health tools with new content based on our research on how we can protect our vulnerable customers. This included updates to the Barclays Money Worries Hub, which is a digital tool to support customers when they find themselves in difficult circumstances, first launched by Barclaycard in 2015. Case studies were created to show how we can support customers in different situations or else provide referrals to specialist services such as Business Debtline.

Our support for vulnerable customers has gathered momentum, with notable developments including new colleague training and expanded financial health tools. See page 49 of this report for more details of how we support vulnerable customers.

We continue to offer support to build resilience and equip customers and non-customers alike with the tips and tools that will help them to manage their finances and deal with the financial impact of life events. We offer free SMS alerts to keep customers updated about activities on their accounts, so that they can take action and avoid incurring unnecessary fees. Eight million customers are currently registered for unpaid transaction text alerts, with around 950,000 unpaid text alerts sent each month.

Barclays Finance Manager is a suite of tools that help our customers to manage their financial well-being. Customers can monitor and categorise spending patterns through online banking, as well as plan budgets. We also have a Savings Goals tool to help customers plan how they can manage their money to reach their savings goals.

We have also actively sought to grow use of Barclaycard Initial, helping to enhance access to credit for those with limited credit histories and provide a way to build their credit health over time.

### Innovating to support customers

We have continued to improve the accessibility of our products and services, to support customers in vulnerable circumstances and drive forward our digital innovation work.

Notable developments include launching new ways for customers to access and use their accounts as well as a new multi-million pound digital safety campaign, which includes both educational content and new fraud awareness tools.

# 205,180

2017	205,180
2016	249,000

Number of individuals and small businesses with improved access to financial and digital empowerment services. See the Shared Growth reporting criteria available at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html)

For example, in a UK banking first, Barclays launched a large PINsentry card reader and an improved high-visibility debit card. With over five million people in the UK experiencing sight or dexterity difficulties, these developments will help customers access services more easily and further protect them from fraud. We also launched new features including Siri support on our app, enabling customers to make payments using their voice, and Contactless Cash, whilst also holding trials for a contactless charity donation solution. Further, we were a headline sponsor of Disabled Access Day in March and hosted over 200 events across the country to promote our own accessible services and encourage other businesses to become more accessible. We hosted a highly successful Consumer Innovation showcase for our consumer group stakeholders to demonstrate some of our most recent innovation and how it can help our customers.

In addition, Barclays has been working to enhance the accessibility of our services to small and medium-sized enterprises (SMEs), thereby reducing barriers to small businesses. For example, Barclaycard Anywhere allows small businesses, in particular start-ups and micro businesses, to offer card acceptance to their customers on a pay-as-you-go basis, without committing to fixed monthly terminal fees. Further, Barclays Collect and our SmartBusiness Dashboard simplify and reduce admin pressures, so business owners can spend their time more productively.

Our 2017 digital safety campaign is reaching millions of customers and non-customers alike. We have launched an extensive educational campaign which has seen our nationwide force of 18,500 Barclays Digital Eagles provide digital safety Tea and Teach sessions to the public. They have also run a number of digital safety workshops specifically designed for younger people, as well as a broad-reaching television Christmas campaign. To coincide with this we have introduced new controls for customers that allow them to manage when, where and how their debit card works, with the ability to set ATM withdrawal limits and turn 'on' and 'off' whether their card can be used to make remote purchases.

## Case studies

Barclaycard's innovative 'Fresh Start' campaign brought industry recognition with a Gold Award from Loyalty360.



The 'Fresh Start' sweepstakes campaign awarded a randomly selected Ring Community member with \$5,000 for a 'fresh start' to the New Year. Cardmembers were encouraged to register on the Barclaycard Ring Community and, if they shared their opinion about new product features in an online Product Survey Poll, they would receive a second entry to the sweepstakes.

There were more than 3,600 responses to the Product Survey Poll and the 'Fresh Start' sweepstakes campaign also garnered the attention of the press and bloggers and was featured in NerdWallet and One Smart Dollar.

The 'Fresh Start' campaign and Product Survey Poll gives Barclaycard immediate cardmember feedback and insights, providing the basis for building more tools and resources related to credit health and credit card capabilities.

Since the launch of the campaign in January 2017, Barclaycard Ring cardmember registrations into the Ring Community have increased by 20%, and there are now more than 6,000 new registered members. There have also been over 850 comments by cardmembers, of which 99% have been positive. On this basis, Barclaycard plans to launch an 'Ask FICO® 2.0' programme in 2018.

### US – FICO® score with Barclaycard Ring

In 2015, Barclaycard US set out to provide Barclaycard Ring credit card members with a clearer path to credit health. Barclaycard Ring is the first crowd-sourced credit card product founded on the principles of 'Simple. Transparent. Fair' focused on credit health and financial literacy through the interactions of a dedicated online community. This unique, online community allows for cardmembers to participate in, and benefit from, interactions with each other and Barclaycard US.

Partnering with the analytics company FICO, the company behind the FICO® Score (the standard measure of consumer credit risk in the US), Barclaycard coordinated a 12-day 'Ask FICO' online event, which connected members of the Barclaycard Ring Community directly with the credit experts at FICO. The event helped to answer many questions and clarify misconceptions that cardmembers had about their credit score and the factors and behaviours that impact credit scores.

Barclaycard launched a 'Fresh Start' campaign in January 2017 which focused on credit health education and debt management skills.

The 'Ask FICO' board received thousands of page views and over 130 questions were answered directly by FICO, providing Barclaycard Ring cardmembers with information about credit scores and their FICO® score.

As credit health topics continued to be a principle focus of discussions within the Barclaycard Ring Community, Barclaycard launched a 'Fresh Start' campaign in January 2017. Using some of the Ask FICO answers, this campaign promoted content within the Barclaycard Ring Community and focused on credit health education and debt management skills.

### UK – Providing financial services to those with limited or no credit history

We are also supporting customers to improve credit health in the UK as part of our Barclaycard Initial offering. Customers are assessed through a bespoke underwriting and credit limit strategy and can gain access to all the benefits of a Barclaycard. Interested customers can also assess their likelihood of being accepted for the card without impacting their credit rating through our Eligibility Checker. Alerts are available to help customers stay in control and manage their payments and customers who manage their account well may also be able to benefit from interest rate reductions over the first two years as they progress in their credit journey.





## Barclays Digisafe

In 2017, Barclays launched a comprehensive range of activities to prevent fraud and scams.

New tools, education material and enhancements to products and services have all formed part of the multi-million pound digital safety campaign to help tackle this growing issue. Notable developments include an online fraud intervention service which asks customers questions designed to identify payment requests that are not genuine. Debit card controls now have an option to instantly enable or disable cards for remote purchases, and the ability for customers to set their own daily ATM withdrawal limits on their Barclays Mobile Banking app. Digital safety learning content for young people has been launched as part of the LifeSkills programme, alongside Barclays' nationwide force of 18,500 Barclays Digital Eagles who have been providing digital safety teach-ins and free support clinics to personal and business customers.

Over £857m<sup>a</sup> of fraud prevented in the past year.

All branch and telephony colleagues have received training on how to support customers concerned about fraud. This has included guidance on how to identify different types of fraud and scams, information on how to resolve enquiries immediately and where to go for further help. Staff can engage directly with the police when they are concerned that the customer in front of them is a potential victim of a scam.

The activity is already generating significant results with over £857m<sup>a</sup> of fraud prevented in the past year.

# Shelter

## Barclays – Shelter partnership

In September 2016, Barclays set up a pilot programme in partnership with the housing and homelessness charity Shelter to support customers in vulnerable circumstances who are at risk of losing their home but who might be entitled to additional benefits or some other financial assistance that would help them make their repayments.

The programme is called Sustainable Home Ownership and Resettlement (SHOR) and provides customers who were at risk of losing their home with full debt advice, providing guidance through the benefits system by a specialist case worker at Shelter – experts in helping people struggling with poor housing or homelessness.

In situations when financial solutions such as interest rate reductions or mortgage term extensions are no longer suitable, a Shelter referral could help a customer get more income via benefits they don't realise they are eligible for, allowing the customer to keep their home.

Barclays and Shelter set up a pilot programme to support customers in vulnerable circumstances.

The customers referred to Shelter will receive a full debt and welfare benefit casework service appropriate to the needs of the household including, but not limited to, maximising welfare benefits, reviewing Department of Work and Pensions (DWP) decisions not to award benefits and support and assistance to resolve any debt issues.

Where homeownership is not sustainable, Barclays customers will receive a holistic housing advice and support service that seeks to achieve a 'soft landing' out of homeownership, including sourcing alternative accommodation.

This service is unique because it's far more in depth than conventional debt services.

Since the start of the pilot, 221 customers have been referred to Shelter, with an average of 15 to 20 referrals per month. Of these cases, 104 are closed so far. Of the closed cases, 23% have retained home ownership who otherwise may have faced eviction or being re-homed. Shelter still continues to provide information and advice to 117 customers, as these cases are complex and can take several weeks or months to resolve.

### Anonymous case study – Client B

Client B had been diagnosed with terminal cancer, and had missed a payment on her mortgage. Barclays referred her to Shelter for advice as her sick pay was about to run out, and she would have no income and was unsure about whether she would be entitled to any other benefits.

Shelter identified that B was entitled to a number of other benefits and supported her to apply for them. The claims were successful, and B secured an additional income of £8,840 per annum. Based on this, Shelter submitted an affordable repayment offer to Barclays which was agreed, enabling B to manage her arrears and household finances moving forwards.

## 4.8m

Our Digital Safety campaign resulted in over 4.8 million people taking action off the back of this outreach, leading to our leadership role being celebrated by Government ministers and the media.<sup>b</sup>

### Notes

- a The value is a combination of fraud prevented from dedicated fraud detection systems specifically built to identify fraud; and fraud prevented where dedicated detection systems were not used. Figure reflects fraud prevented by Barclays UK only.
- b Barclays DigiSafe consumer interactions – based on marketing tracking across relevant campaign media to monitor the number of consumers who proactively opted to consume material that provided further information on how to make yourself more digitally safe.

The Supercon campaign was launched during the 2017 festive period and is part a multi-media campaign to help the UK stay safe online.

THE MUST-HAVE TOY THIS CHRISTMAS

# SUPERCON

\*BATTERIES NOT INCLUDED, NEITHER IS THE TOY

# Our strategic priorities

## Access to employment



See page 20 for an overview of how these initiatives contribute to addressing the SDGs

### The challenge

The global labour market is undergoing major structural changes with far-reaching implications for future workforces.

Globally, 40% of employers report that they are experiencing difficulties filling jobs due to candidates' lack of digital, technology and employability skills. Moreover, it is estimated that 66% of new job creation in developed economies will come from entrepreneurs. The challenge is therefore to support entrepreneurs and SMEs to scale up, fuelling job creation and economic growth, whilst providing extra vocational training to increase pathways to employment.

### Our role

We know that addressing unemployment improves social and economic prospects, creates broader opportunities for growth, and improves resilience.

Investing in the well-being of the communities where we do business, now and into the future, creates long-term demand for, and access to, banking services.

Our role is to help entrepreneurs to scale their businesses and provide workers with the necessary skills training and job opportunities to enable them to gain employment at high-growth companies.

### Our ambition

We aim to address unemployment by focusing on three key areas – upskilling, training and creating employment.

We have several initiatives underway to address these areas, and aim to increase their reach in 2018. To this end, we plan to: increase the number of young people taking part in our LifeSkills employability skills programme by 30%, and expand our Connect with Work programme – training thousands of young people and working with hundreds of businesses to help them secure jobs and apprenticeships.

Our ambition is to upskill millions of people and drive job creation through our support for entrepreneurs and high-growth businesses. In the longer term, our aim is to contribute to economic growth by providing further employment.

2,117,400<sup>△</sup>

People upskilled to achieve their ambitions.



Number of people upskilled to help achieve their ambitions through employability programmes. See the Shared Growth reporting criteria available at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html)

### Progress to date

Ambition	Our focus	Progress
Equip people with the skills that they need for future jobs	<ul style="list-style-type: none"> <li>LifeSkills created with Barclays</li> <li>Strategic partnerships</li> </ul>	<ul style="list-style-type: none"> <li>More than 5.5 million<sup>△</sup> young people have now participated in LifeSkills</li> <li>New LifeSkills resources on the core, transferable skills needed in the 21st century workplace – benefits of social action, understanding big data, dealing with fraud and staying safe online</li> <li>Launched LifeSkills Champions, where young people are rewarded for delivering LifeSkills to their peers, and the LifeSkills Schools Award, recognising schools and colleges for embedding LifeSkills into teaching</li> <li>Continued to focus on upskilling individuals within sectors experiencing high employer demand: in the Americas, 56 people have now graduated from our cybersecurity training programme</li> </ul>
Connect individuals with businesses that are recruiting and support them into jobs or apprenticeships	<ul style="list-style-type: none"> <li>Connect with Work</li> </ul>	<ul style="list-style-type: none"> <li>In the UK, we have already engaged over 100 businesses in our Connect with Work programme and successfully found jobs for over 850 people aged 16+</li> <li>In Asia Pacific, we helped to secure jobs for over 60,000 young engineers and graduates</li> </ul>
Support high-growth businesses to create new jobs	<ul style="list-style-type: none"> <li>Unreasonable Impact</li> </ul>	<ul style="list-style-type: none"> <li>We entered the second year of our Unreasonable Impact programme – a multi-year partnership between Barclays and Unreasonable Group</li> <li>57 ventures are participating in the programme and collectively reach more than 140 million customers in 180 countries. Since joining the programme, they have created over 5,000 new jobs and currently support more than 16,000 jobs across the portfolio</li> <li>The first Unreasonable Impact World Forum took place in September 2017</li> </ul>

Note  
<sup>△</sup> Within KPMG's limited assurance scope. Please see page 67.

## Programme highlights

Our key strategic projects are making a significant contribution to our goal of improving access to employment both in the UK and beyond. We have highlighted three of our key programmes below: Unreasonable Impact, LifeSkills and Connect with Work.

### Unreasonable Impact

Given the right support from major corporations to help them scale, high-growth entrepreneurs are well-placed to tackle the global challenge of unemployment. We launched Unreasonable Impact – an innovative, multi-year partnership with the Unreasonable Group – in 2016. This is the world's first international network of accelerators focused on scaling up entrepreneurial solutions, which will employ thousands of people around the world, whilst solving some of our most pressing societal challenges.



Entrepreneurs from across China, Hong Kong, India, Japan, and Singapore take part in the inaugural Asia Pacific two-week Unreasonable Impact accelerator.



The world's first international network of accelerators focused on scaling up entrepreneurial solutions, helping employ thousands worldwide.

The inaugural year of the partnership, which concluded in 2017, saw 35 businesses join the Unreasonable Impact programme, each with an innovative concept that is set to have a huge global impact. This included three intensive two-week accelerators in the UK, the US and

Asia Pacific, where the entrepreneurs receive coaching, insights and support from a range of expert mentors and specialists, including many of our senior leaders.

In 2017, the second year of the partnership launched in the US and UK, with 22 additional companies joining the global network. We also held the first Unreasonable Impact World Forum, attended by over 400 people and watched by thousands online.

Collectively, these 57 ventures operate in over 180 countries, impact over 140 million lives, and have already created more than 5,000 new jobs since joining the programme, supporting over 16,000 jobs overall<sup>a</sup>.

Note

<sup>a</sup> Source: Unreasonable Group. Estimated impacts.

### Americas – LanzaTech

**Capturing and transforming carbon into new products, replacing petroleum products and reducing GHG emissions**

Americas-based LanzaTech is just one of the companies participating in Unreasonable Impact. The company's patented technology reduces greenhouse gas (GHG) emissions by over 60%. It does this by capturing carbon-rich emissions before they escape from flumes of steel mills, oil refineries, and chemical plants. The company's patented anaerobic microbes (or 'bugs') then convert this waste into fuels like ethanol and chemicals to make new products like plastics and rubber. As well as waste industrial gases, LanzaTech can also repurpose agriculture residues and municipal solid waste, taking advantage of numerous regionally-sustainable, low-cost, and widely available feedstocks. The company has partnered with Virgin Atlantic to produce the world's first jet fuel derived from waste industrial gases.

### AsiaPacific – Sundar

**Building the world's largest discovery and sourcing platform in the apparel supply chain**

Sundar is transforming the trillion-dollar apparel supply chain by creating transparency, efficiency, and information tools to disrupt global sourcing and discovery. The company's aim is to promote and develop faster and safer ways for fashion products to be made by highly-skilled and fairly-paid workers. It does so by connecting brands with manufacturers and suppliers of textiles, trims, components and specialist services. Building the world's largest discovery and sourcing platform, Sundar enables in minutes what used to take weeks and months to accomplish. The company was incubated at MIT and Techstars, the world's leading software accelerator. It is institutionally backed by the largest venture fund in the world, as well as eminent Bay Area, New York and Hong Kong based investors.

### UK – Desolenator

**Using only solar power to purify water from any source, including sea water**

Desolenator uses patented solar technology to purify any water into drinking water. Unlike existing desalination technologies, which are inefficient and run on fossil fuels, Desolenator's 100% solar-driven product has a long lifespan, is off-grid, stand-alone and filter-free. It is also affordable; a pay-per-use model makes it available to people at the base of the pyramid. Recently, Desolenator was crowned the winner at the Duke of York's Pitch@Palace competition. The company is completing the development of three products and bringing them to market next year.

# Our strategic priorities

## Access to employment

### LifeSkills

LifeSkills, Barclays flagship employability programme in the UK, inspires millions of young people and equips them with the core, transferable, skills needed to move forward into the 21st century work place. LifeSkills brings together educators, businesses, young people and parents to achieve this, as increasingly young people need to leave education not only with appropriate academic results but with the skills that we know businesses need now and in the future.

By doing this we will help to address the significant societal issue of the UK skills gap and youth employment challenge, create a better future for young people, supporting our economy and society.

The programme teaches key skills such as CV writing, interview skills, networking, leadership, problem solving, creativity, resilience, and communication.

LifeSkills also provides free support to UK businesses to help improve access to work experience opportunities – giving young people the key skills and experience they need.

Already LifeSkills is raising the aspirations of young people as they feel more confident about the future and we are seeing evidence that young people are using what they have learnt to secure employment and manage their finances more effectively.



Inspiring millions of young people to get the skills they need for work

### LifeSkills – Five million<sup>△</sup> plus in five years for LifeSkills

LifeSkills is supporting Barclays UK's purpose in action by helping young people to move forward into the world of work. Through our passionate commitment to developing the talent of young people, we're addressing the societal issues of the skills gap and the challenges of youth employment.

.....  
 “The course has provided me with a greater confidence and has made it further clearer to me that the career path I have chosen to pursue is the right one for me.”

**Matthew Butcher, student**  
 .....

In just five years more than 5.5 million<sup>△</sup> young people have participated in LifeSkills (1.89 million<sup>△</sup> in 2017 alone) and more than 54,000 educators are registered. The programme is making a tangible difference for young people, helping them to develop the skills needed in the future as they prepare to move into the world of work. The LifeSkills 2017 impact report shows that we are continuing to positively impact confidence, motivation and aspirations. Undertaken independently by Chrysalis, the report shows that, of the young people surveyed who had participated in the programme, 88% feel more positive about the future and 86% feel more motivated to do better in academic and vocational studies. 85% feel better prepared to make future career decisions and 71% feel that they now have higher ambitions and aspirations. In 2017, in addition to driving participation at scale, we have focused on deepening the engagement and the impact that the programme has with educators and young people through the launch of new tools, resources, lesson plans and initiatives.

Note  
<sup>△</sup> Within KPMG's limited assurance scope. Please see page 67.

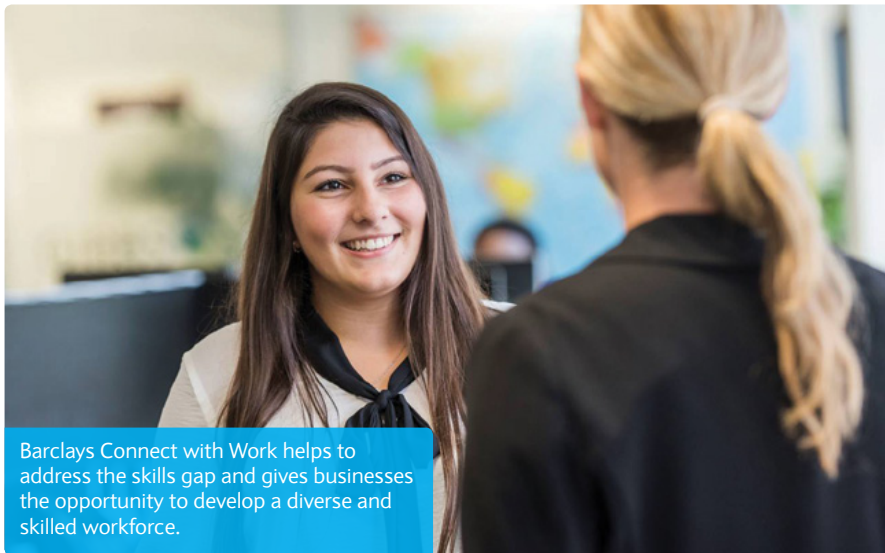
### Connect with Work

Barclays Connect with Work programme is aimed at individuals aged 16 and over with the aptitude and attitude to enter the workforce, but who face barriers such as lack of qualifications, experience or confidence. In conjunction with a selection of experienced charity partners, the programme trains these people to be interview ready, supports them into jobs or apprenticeships and provides ongoing support to help them succeed in their new roles. In addition, the programme supports businesses, including SMEs and larger corporates, to create entry-level jobs for these individuals – addressing both sides of the employment gap.

To date, Connect with Work has successfully found jobs for more than 850 young people in the UK – the majority of whom may not otherwise have been able to find employment.

In the Asia Pacific region, we have upskilled over 200,000 young engineers and graduates, securing jobs for more than a third at a variety of companies, including a number of multinational corporates.

In the Americas, we remain focused on sectors experiencing high employment demand. As an example, in partnership with Per Scholas, we co-developed a cybersecurity training programme to encourage skills in an area of technology that is rapidly expanding. To date, 56 people have graduated from our cybersecurity training programme with 35 having been placed into full-time employment.



Barclays Connect with Work helps to address the skills gap and gives businesses the opportunity to develop a diverse and skilled workforce.

### Connect with Work – transforming young lives

**John\*, a person with a conviction, Forest Gate**  
John\*, a young person who has recently spent time in prison, was referred to Catch22, one of Barclays’ partners in Connect with Work, by Newham Probation Services two weeks after his release in June 2017. He spent a total of eight and half months in custody and secured paid employment within a few weeks of working with Catch22 on the Barclays Connect with Work programme.

“When I left prison I was still wearing a tag which meant I had a curfew, limiting the kind of work I could do. I was very nervous and anxious about applying for jobs with a criminal record. I had no idea what I wanted to do or what I could do with my record.”

Julia Manzhura, John’s Catch22 Employment Advisor said: “Each person with a conviction we work with has experienced a complex personal situation. We support them to communicate their transition journey to employers positively. In many situations, we can also work with probation to change their tag curfew time to suit their terms of employment.”

.....  
“I feel like I’ve been given another chance at a different future.”  
.....

John worked with Julia to first identify what type of work he would be keen to undertake.

He expressed an interest in construction and agreed to do CSCS training to enable him to work in the industry. He was referred by his employment advisor to the Youth Construction Services for the training and completed his Level 1 CSCS Health and Safety course with flying colours.

Julia recalls: “After he had completed his training I invited him to attend a job search session and helped him search and apply for labouring jobs online. I also gave him advice on how to present himself at interviews.”

“That same day he received a phone call from a construction company offering him labouring work if he could start in two days’ time,” said Julia.

He said, “I was surprised at just how quickly I got a job. Connect with Work supported me with everything; my training, my CSCS card, the protective equipment and they also paid for my travel expenses so I could get to and from work before I was paid.”

John credits the in-work support he received through the programme as being particularly important for him as it kept him motivated knowing he had Catch22 looking out for him on the Barclays’ Connect with Work programme. He spent one month working in the construction industry before moving on to another sector, gaining fresh work experience for his CV and new references.

“I feel like I’ve been given another chance at a different future” he said.

*\*name has been anonymised*

# Sustainable Development Goals

## Barclays ESG initiatives align with and support the delivery of the United Nation's Sustainable Development Goals (SDGs).

The SDGs are the 17 global sustainable development priorities and aspirations agreed by countries at the United Nations in 2015, with input from business, civil society and other stakeholders. It is estimated that between \$5–7trn a year is needed to achieve the Global Goals by 2030<sup>1</sup>. A significant proportion of this funding will need to be mobilised from the private sector. Barclays is committed to play its part and work in collaboration with clients, investors and public stakeholders to support the delivery of the SDGs.

We reviewed and mapped our business activities, products and programmes against the SDGs. The infographic below highlights key initiatives mapped against specific goals. Each of our three strategic focuses under the Shared Growth Ambition represent areas where we can have the largest positive impact and which support the delivery of multiple SDGs.

Our most significant impact will be achieved through providing financing solutions to address social challenges as well as to support the transition to a low carbon economy. We also contribute through developing accessible products and services and our global employability and diversity initiatives.

We continued to deliver financing solutions in areas including renewable energy, water and low carbon technologies; social infrastructure; national and supranational development finance institutions; and small business financing. Barclays delivered £31.7bn in financing for selected social and environmental segments across our business lines (2016: £30.5bn). See the **Access to financing** section on pages 7 to 11 for an overview of activity.

There has been significant momentum across the Barclays franchise in 2017, including: the launch of a range of new Green Loan, Asset Finance and Deposit products; the issuance of Barclays' inaugural green bond; an industry-first Multi-Impact Growth Fund for retail investors; a range of innovative transactions such as solar project bonds and green asset-backed securities; and continued coverage from our Research teams on ESG and Sustainability themes.

Inclusive financial systems are key to achieving economic and societal progress, but there can be several barriers to access. We believe digital offerings can help break down these barriers. We helped empower approximately 205,000 people in 2017 (2016: 249,000) through initiatives such as: Barclaycard Initial for those with a limited credit history; our Barclays Digital Eagles network, comprised of specially trained Barclays employees working to provide free technology support to customers and non-customers; and the continued development of learning platforms. Further detail is available in the **Access to financial and digital empowerment** section on pages 12 to 15.

Barclays is committed to enhancing employability supply, by helping people gain access to skills, and facilitating demand, by supporting entrepreneurs to drive job creation. We helped upskill over 2.1 million people in 2017 (2016: 1.7 million), driven by Connect with Work partnerships and our flagship LifeSkills programme in the UK.

We held Accelerators for the second cohorts of the 'Unreasonable Impact' programme in partnership with Unreasonable Group, focused on scaling ventures that solve environmental and societal problems. To date, 57 ventures have participated in programmes across the UK, US and Asia. These businesses already operate in over 180 countries, impact over 140 million lives, and have already created more than 5,000 new jobs since joining the programme, supporting over 16,000 jobs overall<sup>2</sup>. See the **Access to employment** section on pages 16 to 19.

Barclays was the only financial services firm represented on the UN HeForShe Campaign. This has reinforced our commitments to: embed gender equality in the culture, processes and policies of Barclays and to reach 2.5 million women around the world with financial inclusion programmes. To date over 7,500 Barclays employees have joined the campaign and the work we have done has contributed to our Bloomberg Gender Index rising to 87%, up 2% from 2016.

See the People section on pages 89 to 92 in the Annual Report for more information on our **Diversity and inclusion programmes**.

1 Source: UN World Investment Report 2014.  
2 Source: Unreasonable Group. Estimated impacts.

	<p><b>1 NO POVERTY</b></p> 	<p><b>4 QUALITY EDUCATION</b></p> 	<p><b>5 GENDER EQUALITY</b></p> 	<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p> 
	<p>Access to financing (Development Finance institutions) Access to employment (LifeSkills/Connect with Work)</p>	<p>Access to employment (LifeSkills/Connect with Work) Access to financial and digital empowerment</p>	<p>UN HeForShe Campaign Gender programmes</p>	<p>Access to financing (renewables and environmental financing) Barclays Green Products – see page 53 Unreasonable Impact programme</p>
<p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p> 	<p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p> 	<p><b>10 REDUCED INEQUALITIES</b></p> 	<p><b>13 CLIMATE ACTION</b></p> 	<p><b>17 PARTNERSHIPS FOR THE GOALS</b></p> 
<p>Access to financial and digital empowerment Access to employment (LifeSkills/Connect with Work) Unreasonable Impact programme</p>	<p>Access to financing (physical and social infrastructure) Unreasonable Impact programme Social Innovation Facility</p>	<p>Access to financial and digital empowerment Access to employment (LifeSkills/Connect with Work)</p>	<p>Access to financing (renewables and low carbon energy) Climate change risk management Direct carbon footprint – see page 64 Carbon offsetting – see page 66</p>	<p>Collaborative partnerships with number of academic institutions, NGOs and financial sector initiatives Stakeholder engagement – see page 36</p>

# Future of supply chain

# ANDIAMO



For the majority of people, freedom of movement is something that's taken for granted. But for the millions of people globally with long-term and acute conditions, this isn't the case.

Andiamo is a healthcare technology company combining big data, machine learning and advanced manufacturing to give everyone the freedom of movement that the majority enjoy. Andiamo's first focus is revolutionising the age-old orthotics industry, where their technology enables evidence-based prescription, reduces wait times from six months down to one week, reduces pathway costs by 50%, and enables a step change in clinical and quality of life metrics for conditions such as cerebral palsy, stroke, and diabetes.

Promoting new and innovative forms of supply chain solutions through this unique partnership with Unreasonable Impact.



For more information on Unreasonable Impact, refer to page 17.

# Our strategic priorities

## The way we do business

### Overview

Our ability to deliver shared value for our stakeholders is underpinned by a strong commitment to the way we do business – ensuring that we run our business responsibly and manage our broader social and environmental impacts appropriately. As a global organisation with customers and clients active across economic sectors with financial services delivered through complex regulated operations and infrastructure, we aim to manage material ESG issues effectively and consistently across the Group's businesses with appropriate governance and oversight.

We continue to embed a positive conduct and values-based culture across the firm and work to meet our stakeholder needs and manage our societal obligations responsibly. In addition, we implement policies and standards to manage our approach to a wide range of ESG themes and work in collaboration with clients, suppliers and other stakeholders to raise awareness and implement consistent standards.

This section provides summary information on material governance and risk management topics from an ESG perspective with links to further detail across the Annual Report and other sources, including Barclays website and additional disclosures.

### Board and management oversight

The Board of Directors is responsible for promoting the highest standards of corporate governance in Barclays. The Board acts in a way that we consider promotes the success of Barclays for the benefit of shareholders as a whole, and are accountable to the shareholders for creating and delivering sustainable value. It is our responsibility as the Board to ensure that management not only delivers on short-term objectives, but promotes the long-term growth of Barclays. The existing corporate governance framework embeds what we believe are the right culture, values and behaviours throughout the Group and supports our role in determining strategic objectives and policies.

### Board Reputation Committee

The Board Reputation Committee (RepCo) reviews management's recommendations on conduct and reputational risk, and the effectiveness of the processes by which the Group identifies and manages these risks. RepCo also oversees Barclays' conduct in relation to its corporate and societal obligations, including setting the guidance, direction and policies for Barclays' approach to customer and regulatory matters and Barclays' Citizenship strategy, including the management of Barclays' economic, social and environmental contribution, and specific themes including our approach to climate change and emission targets. The Committee reviewed Barclays progress on these topics during 2017, including climate change, reputation risk and delivery on the Shared Growth Ambition. Further detail on the Committee's activity in 2017 is available in the Director's report.

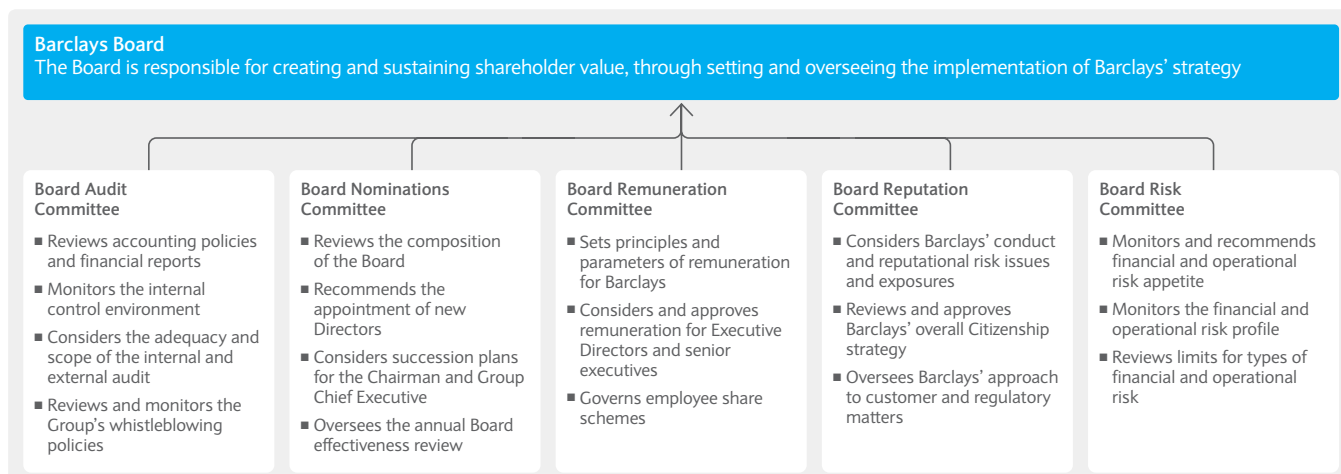


In addition, relevant ESG issues are also considered by other Board Committees as appropriate. For instance, the Board Risk Committee provides oversight of potential relevant ESG risks including fraud and cyber risk; the Board Audit Committee approves non-financial reporting as part of the Annual Report suite and the Board Remuneration Committee takes non-financial performance measures, including Citizenship, into consideration when making remuneration decisions.



See the Director's report for more information on the Barclays PLC Board and Board Committees.

### Board Governance Framework





## Progress to date

Ambition	Our focus	Progress
Build a positive conduct and values-based culture	<ul style="list-style-type: none"> <li>Implement a consistent global Code of Conduct (Barclays Way) and ensure all employees complete mandatory training</li> <li>The Board and Senior Management receive Group Dashboards in relation to conduct and Barclays has operated at the set tolerance for Conduct Risk throughout 2017</li> <li>In 2017 we focused on embedding the culture measurement framework we developed in 2016, and using the insights to stimulate senior management discussion</li> </ul>	<ul style="list-style-type: none"> <li>Remain committed to continuing to drive the right culture throughout all levels of the organisation</li> <li>Continue to enhance the effective management of conduct risk</li> </ul>
Manage material environmental, ethical and social risks	<ul style="list-style-type: none"> <li>Frameworks, policies and standards are in place for conduct and reputation risks under the ERMF. Environmental changes are currently being reviewed and relevant changes will be considered as part of the TCFD delivery (see below)</li> </ul>	<ul style="list-style-type: none"> <li>Board RepCo reviewed reputation risk framework and emerging issues</li> <li>Recommended the development of sustainability and sensitive sector guidelines</li> </ul>
Improve climate risk and opportunity disclosures	<ul style="list-style-type: none"> <li>Refresh Climate Change strategy and manage key climate risks and opportunities</li> <li>Implement Task Force on Climate-related Financial Disclosures (TCFD) recommendations over time</li> </ul>	<ul style="list-style-type: none"> <li>Endorsed TCFD final report recommendations</li> <li>Established senior TCFD Implementation Forum to drive internal coordination</li> <li>Actively engaged in a number of forums including national and international industry bodies and a pilot project to develop approaches to climate stress testing and scenario analysis</li> </ul>
Enhance customer and client experience	<ul style="list-style-type: none"> <li>In 2017, we continued to focus on delivering excellent customer and client experience, by offering products and services to meet their needs in an appropriate and accessible way</li> </ul>	<ul style="list-style-type: none"> <li>Encouraged by the performance of our Relationship Net Promoter Scores (NPS)</li> <li>Our client ranking and market share indicators remained broadly stable across many of our international business areas</li> <li>Complaints reduction remains a priority across the Group and, despite improvements in 2017, we have more work to do</li> </ul>
Foster a diverse, inclusive and engaged workforce	<ul style="list-style-type: none"> <li>Focused on increasing the diversity of our workforce and continuing to build an inclusive culture</li> </ul>	<ul style="list-style-type: none"> <li>We are proud of the progress we have made on the multicultural, multigenerational, LGBT and disability pillars, and we continue to receive external recognition for our diversity and inclusion work</li> </ul>
Embed human rights and enhance Modern Slavery Act implementation	<ul style="list-style-type: none"> <li>Updated Barclays Group Statement on Modern Slavery</li> </ul>	<ul style="list-style-type: none"> <li>Developed an online training module on modern slavery, specifically targeting our client and customer facing teams, the events, roadshows and hospitality teams and procurement colleagues</li> </ul>
Manage our direct environmental footprint	<ul style="list-style-type: none"> <li>Managing our own carbon footprint and reducing our absolute carbon emissions</li> <li>Implementing energy efficiency and travel initiatives and carbon offsetting</li> </ul>	<ul style="list-style-type: none"> <li>Reduced carbon emissions by 26.1% against the 2015 baseline, making good progress against our target of a 30% reduction by 2018</li> </ul>

### Note

△ Within KPMG's limited assurance scope. Please see page 67.

# Our strategic priorities

## The way we do business

### Enterprise Risk Management Framework

#### Financial Principal Risks

**Credit risk:** The risk of loss to the firm from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to the firm, including the whole and timely payment of principal, interest, collateral and other receivables.

**Market risk:** The risk of loss arising from potential adverse changes in the value of the firm'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.

#### Treasury and capital risk:

- **Liquidity risk:** The risk that the firm 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.
- **Capital risk:** The risk that the firm has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments or stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This includes the risk from the firm's pension plans.
- **Interest rate risk in the banking book:** The risk that the firm is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities.

#### Non-Financial Principal Risks

**Operational risk:** The risk of loss to the firm 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.

**Model risk:** The risk of the potential adverse consequences from financial assessments or decisions based on incorrect or misused model outputs and reports.

**Conduct risk:** The risk of detriment to customers, clients, market integrity, competition or Barclays from the inappropriate supply of financial services, including instances of wilful or negligent misconduct.

**Reputation risk:** The risk that an action, transaction, investment or event will reduce trust in the firm's integrity and competence by clients, counterparties, investors, regulators, employees or the public.

**Legal risk:** The risk of loss or imposition of penalties, damages or fines from the failure of the firm to meet its legal obligations including regulatory or contractual requirements.

### Managing material environmental, ethical and social risks

The Enterprise Risk Management Framework (ERMF) sets the strategic direction for risk management by defining clear standards, objectives and responsibilities for all areas of Barclays. It supports the CEO and Chief Risk Officer in embedding effective risk management and a strong risk culture.

Financial and Non-Financial Principal Risks are managed in compliance with frameworks and policies that set out responsibilities for risk management. Any risks such as environmental or social risks that may fall outside the principal risks, or that may entail more than one principal risk, are also subject to the ERMF as well as oversight by the control functions (Risk and/or Compliance). We provide summary information below with further detail on key risk factors, management processes and 2017 performance on each principal risk available in the Risk review on pages 119 to 204 in the Annual Report.

**Credit risk** – Credit risk management teams set the risk appetite, monitoring risk against limits and other parameters to control and plan credit risk-taking and avoid undesirable concentrations. Environmental risk is recognised as a mainstream credit risk issue and the Group has a dedicated Environmental Risk Management team, as part of the central Credit Risk Management function. Environmental

issues are considered in credit risk assessment, and environmental risk standards are included in the Wholesale Credit Risk Control Framework.

The Group's approach to environmental credit risk management addresses risk under three categories, namely direct risk and indirect risk, as well as reputation risk, on which more detail can be found on pages 45 to 47.

**Operational risk** – Operational risk is the risk of loss to the firm from inadequate or failed processes, systems, human factors or due to external events, for instance, of environmental, political or criminal nature, where the root cause is not due to credit or market risks. Business resilience, being the risk of a loss of, or disruption to, the Group's processes, whether arising through impacts on technology systems, real estate services, personnel availability or the support of major suppliers, represents a material inherent risk theme for the Group. In addition, the risks associated with Barclays premises and security (the risk of interruption to Barclays business due to the unavailability of premises and infrastructure as a result of intentional or accidental damage to premises and moveable assets, physical security breaches and safety and security incidents) are also inherent across the Group.

The prime responsibility for the management of operational risk and for the compliance with control requirements rests with the business

and functional units where the risk arises. The operational risk profile and control environment are reviewed by business management through specific meetings which cover governance, risk and control. Businesses are required to report their operational risks on both a regular and an event-driven basis. The reports include a profile and assessment of material risks, operational risk events and scenarios that may impact the achievement of business objectives and the effectiveness of key controls.

**Conduct risk** – As a transatlantic consumer, corporate and investment bank, Barclays also plays a critical role in promoting fair, open and transparent markets, as well as fostering shared growth for all. This means abiding by standards that in many cases are higher than those set by the laws and regulations that apply to the Group.

Throughout 2017, conduct risks were raised by businesses for consideration by RepCo. The Committee reviewed the risks raised and whether management's proposed actions were appropriate to mitigate the risks effectively. RepCo received regular updates with regards to key risks and issues, relating to structural reform; strategic and regulatory change; data security; Brexit; cyber risk and technology resilience.

Barclays is committed to continuing to drive the right culture throughout all levels of the organisation. Barclays will continue to enhance effective management of conduct risk and ensuring that the relevant tools, governance and management information are appropriately considered in decision-making processes.

**Reputation risk** – Reputation risk may arise from any business decision or activity. It may also arise as a result of issues and incidents relevant to other principal risks, in particular other non-financial risks, such as conduct or operational risk. Throughout 2017 reputation risks and issues were overseen by RepCo, which reviews the processes and policies by which Barclays identifies and manages reputation risk.

RepCo reviewed reputation risks raised by the businesses and considered whether management's proposed actions, for example attaching conditions to proposed client transactions or increased engagement with impacted stakeholders, were appropriate to mitigate the risks effectively. RepCo also received regular updates with regard to key reputation risks and issues, including legacy conduct issues, Barclays association with sensitive sectors, cyber and data security, fraud and scams that could impact Barclays customers and the resilience of key Barclays systems and processes.



See the Risk review in the Annual Report and the Pillar 3 Report for further information on risk management. Available at [home.barclays/annualreport](http://home.barclays/annualreport)

## Improving climate risk and opportunity disclosures

Barclays' success and prosperity is intimately linked to the success and prosperity of the communities in which we live and work. This principle guides the way we do business and drives our commitment to play a leading role in the transition towards a sustainable environment and low carbon global economy.

Climate change and resource scarcity are acknowledged as two of the greatest global challenges facing society today. As a global institution, we support our clients and communities as they adopt measures to mitigate and adapt to climate change such as clean technologies and infrastructure resilience.

We acknowledge the validity of climate science and support the efforts of public and private stakeholders around the world aiming to limit global temperature rise to two degrees Celsius above pre-industrial levels.

Barclays participated in the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), which published its final recommendations in June 2017. Barclays endorsed the final report, and will work to implement the recommendations over the coming years. We have provided a narrative summary in the 2017 Strategic Report with further information available within the ESG Report.

The principles laid out in the TCFD recommendations are an important step in providing the foundations from which companies, investors, banks and other market participants can move forward together to improve transparency and build better understanding of potential climate-related risks and opportunities.

This is the start of a longer-term process to enhance disclosures and improve understanding on potential material financial impacts. Barclays is actively engaged in a number of forums on implementing the TCFD recommendations, including national and international industry bodies and a pilot project to develop approaches to climate stress testing and scenario analysis with the United Nations Environment Programme Finance Initiative (UNEPFI).

This is part of a wider focus to help shape progressive public policy on climate change. We are members of the City of London's Green Finance Initiative (GFI), and chair the Banking workstream, to develop the UK's green loan market – exploring themes such as standard definitions and the potential for securitisation. We are also a member of the UK Government's Green Finance Taskforce.

### Governance

On behalf of the Board, the Board Reputation Committee reviews and approves Barclays' overall Citizenship strategy, which includes the approach taken on climate change and emission targets. The Committee discussed the outcome of an externally facilitated review on Barclays alignment with the TCFD recommendations in 2017. See the Director's report for further information.

A senior forum, chaired by the Barclays International Chief Risk Officer, with representation from business lines and function teams including strategy, risk, compliance and sustainability, was set up in 2017 to provide oversight and drive implementation of the TCFD recommendations and wider climate change strategy. We also created an internal Green Banking Council to act as a platform for the development of new green commercial propositions.

### Strategy

Significant financing requirements for the energy transition and resilient infrastructure will necessitate access to the capital markets, bank debt and wider funding solutions, providing revenue pools that are projected to grow over time. Our approach is to focus on managing potential climate change related risks and assess current and emerging opportunities across our product suite and geographical footprint.

In the shorter term, Barclays sees immediate opportunities in green bonds and other financing solutions. We actively manage our own direct carbon footprint and are making good progress towards our target of 30% reduction by end 2018, against a 2015 baseline, reducing our emissions by 26.1% in 2017

### Managing climate risk and opportunity

The growing importance of climate change as a source of indirect risk is increasingly being recognised in credit policy discussions. Climate risk can arise as physical risk, where changing weather patterns may adversely impact a client's operations, their access to critical resources, their supply chains or their distribution networks, or it can be a transition risk if moves to a lower carbon economy increase the costs or reduce the demand for their products or services. Currently, climate risks are assessed at a relationship level or on a transactional level, such as assessing a client's perspective on the potential impacts of the climate change agenda on their operations, and the extent to which such impacts are reflected in their business planning assumptions.

We are focused on managing both physical risks, for instance flood risk for our UK mortgage book, as well as potential transition risks if carbon intensive industries do not plan strategically for a smooth medium- to long-term transition to a low carbon economy. As part of our approach to managing potential transition risk, we refined Barclays Coal Risk Appetite in 2017, which seeks to reduce credit exposure to the thermal coal sector globally over the medium term, with future transactions subject to enhanced due diligence and escalated for senior management decision. We are exploring methods to conduct more detailed portfolio level analysis over time. See page 45 for further detail on environmental risk management.

Given Barclays' geographical footprint and product suite, several business lines are actively involved in delivering innovative solutions across product groups that help our clients achieve their environmental goals.

During 2017, we have significantly increased our focus on developing new climate opportunities, including the launch of a suite of industry-leading Green Products driven by our Green Banking Council and the issuance of Barclays inaugural green bond. See the Access to Financing section on pages 7 to 11 for further detail on climate-related business activity across the firm.

# Our strategic priorities

## The way we do business

### Building a positive conduct and values-based culture

In 2017, we focused on embedding the culture measurement framework we developed in 2016, and using the insights to stimulate senior management discussion.

We have made good progress in continuing to embed the value of 'Integrity', highlighted by results to the questions 'it is safe to speak up' (83% favourable, up 2 percentage points on 2016) and 'I can report instances of dishonest or unethical practices to the appropriate level of authority without fear' (86% favourable, flat on 2016). 'Stewardship' also remains a strongly embedded value with 89% of colleagues stating that they are proud of the contribution Barclays makes to the community and society (up 1 percentage point on 2016). 'Service' and 'Respect' remain strong with 90% of colleagues believing strongly in the goals and objectives of Barclays (up 3 percentage points on 2016) and 91% of colleagues agreeing that 'leaders at Barclays support diversity in the workplace' (up 2 percentage points on 2016).

Within our culture measurement framework, which is anchored in our values, 'Excellence' remains the biggest opportunity for improvement, as the 'Enable' component within the colleague survey continues to be the lowest scoring measurement of sustainable engagement (64%, up 4 percentage points on 2016). A set of improvement initiatives were identified in 2017 and will continue in 2018 to drive progress in this area.

Barclays has operated at the overall set tolerance for Conduct Risk throughout 2017. The tolerance is assessed by the business through Key Indicators which are aggregated and provide an overall rating which is reported to the Board Reputation Committee as part of the Conduct Dashboard.

We continue to see improvements in conduct performance and are committed to continuing to drive the right culture throughout all levels of the organisation. Barclays will continue to enhance the effective management of Conduct Risk and appropriately consider the relevant tools, governance and management information in decision making processes.

### Enhancing customer and client experience

In 2017, we continued to focus on delivering excellent customer and client experience, by offering products and services to meet their needs in an appropriate and accessible way. We are encouraged by the performance of our Relationship Net Promoter Scores (NPS<sup>®</sup>), while our client ranking and market share indicators remained broadly stable across many of our international business areas, which we believe reflect the relevance of our customer and client proposition. Digital solutions can enable a convenient and secure everyday banking experience for customers and clients,

and we believe this is reflected in a 7% year on year increase in the number of Barclays UK customers using our digital services.

### Net Promoter Scores<sup>a</sup>

Improvements to our customer experience and customer value proposition, as well as our campaign to educate customers about how they can take steps to protect themselves from fraud, have all contributed to customers advocating our brand. Barclays Relationship NPS ended the year with an improved score of +14 (2016: +10), while Barclaycard UK Relationship NPS remained relatively flat year on year with a score of +9 (2016: +7). Our Barclaycard International business also continued to perform well on Relationship NPS, supported by a continued focus on customers and improvements in our products and digital experiences.

### Complaints

In Barclays UK, we continue to focus on customer journeys and our underlying complaint volumes (Barclays UK, excluding PPI) reduced 13% year on year, however we have seen a small increase in PPI complaints (up 2% year on year) driven largely, we believe, by the FCA deadline announcement. Barclays UK complaint volumes, including PPI, were down 7% year on year<sup>b</sup>. Barclays International complaints reduced by 19% year on year, largely driven by a strong performance in the Barclaycard US business, as we continued our focus on improving customer experience. Complaints reduction remains a priority across the Group and, despite improvement in 2017, we have more work to do, as can be seen from our position in the H1 2017 FCA complaints tables in the UK<sup>c</sup>.

We therefore remain focused on areas requiring our attention including, for example, the recent issues we have experienced with our Smart Investor proposition, and we are working to improve our service as a result of customer feedback.



See the Customer and Client performance sections and the business unit pages in the Strategic Report for further information.

### Fostering a diverse, inclusive and engaged workforce

We remain focused on increasing the diversity of our workforce and continuing to build an inclusive culture. In 2017, we have placed additional focus on upskilling our leadership through a range of initiatives including our Unconscious Bias Training, which has been delivered to over 10,000 leaders to date. Our global Diversity and Inclusion (D&I) strategy sets objectives, initiatives and plans across each of five core pillars: Gender, LGBT, Disability, Multicultural and Multigenerational, in support of that ambition. See the People section in the Annual Report for further information on progress across the D&I pillars.

Our commitment to increasing female representation at all levels remains firm and we are mindful of the need to remain focused on improving our gender diversity with goals to improve the percentage of female Managing Directors and Directors<sup>d</sup> to 26% by 2018 (2017: 23%, a 1% point improvement year on year<sup>e</sup>); 33% female representation on our Board by 2020 (2017: 21%, 2016: 31%); and 33% female representation among the Group Executive Committee and their direct reports (2017: 25%, flat year on year). Recognising the importance of strengthening our talent pipeline, we also have an ambition for 50% female graduate hires (2017: 40%, 2016: 39%).



Barclays response to the Gender Pay Gap regulation is located in the Annual Report People section on pages 89 to 92.

### Engaged workforce

An engaged workforce is critical to the success and delivery of our strategy. Our principle measurement of employee engagement is through our employee opinion survey 'Your View'. This year, sustainable engagement of our employees improved by 3 percentage points to 78%, with the majority of key survey question results recording improvements compared to 2016, and the rest remaining stable.

### Notes

- NPS measures customer experience and facilitates benchmarking. It is widely used in banking and other industries. In this reporting year, the basis of Barclays Relationship NPS has been revised from a three-month rolling average to a 12-month rolling average, to reduce fluctuations in the data. On a three-month rolling average basis we reported Barclays Relationship NPS of +13 in 2016, which remained unchanged at +13 in 2017. Source: GfK FRS, 12 months ending December 2017. Adults interviewed: 8,568 Barclays main Current Account holders (Barclays Relationship NPS), and 4,754 Barclays main Credit Card holders (Barclaycard UK Relationship NPS).
- In 2016 we reported complaint volumes for 'Barclays UK' which reflected total UK FCA reportable complaints (including complaints which now sit within Barclays International). Following preparation for the formal separation of the Barclays UK division into a new legal entity we are now able to accurately split UK FCA Complaints between our Barclays UK and Barclays International divisions.
- For further information on Barclays' complaint volumes, the FCA publishes firm-level complaints data on their website.
- Under the Companies Act 2006, Barclays is required to report on the gender breakdown of our employees and 'senior managers'. Of our global workforce of 79,900 (45,100 male, 34,800 female), 555 were senior managers (401 male, 154 female), which include Officers of the Group, certain direct reports of the Chief Executive, heads of major business units, certain senior Managing Directors, and directors on the boards of undertakings of the Group, but exclude individuals who sit as directors on the Board of the Company. The definition of senior managers within this disclosure has a narrower scope than the Managing Director and Director female representation data provided above.
- Based on 2016 actual (24%) restated on an ex-Africa basis (22%).

Areas of particular strength from the annualised 'Your View' results include 'I would recommend Barclays as a good place to work' (82% favourable, up 6 percentage points on 2016), 'Barclays is truly focused on achieving good customer and client outcomes (88% favourable, up 5 percentage points on 2016) and colleagues 'believe strongly in the goals and objectives of Barclays' (90% favourable, up 3 percentage points on 2016).

In addition, by supporting internal mobility across Barclays, we hope to successfully attract, retain and develop internal talent. In 2017, our rate of internal hiring was 40% (2016: 48%).

Barclays remains focused on increasing the diversity of our employees and the inclusiveness of our culture.

#### Embedding human rights and the Modern Slavery Act

We are committed to combating the risk of modern slavery and human trafficking. Our support of human rights extends to our supply chain. We embed human rights in all areas of our business, including encouraging supplier behaviours and practices that are consistent with the objectives of our Barclays Statement on Human Rights, and welcome opportunities to improve and evolve practices regarding human rights through our supplier relationships.

We provide internal guidance for lending and relationship managers on how to integrate human rights issues into their assessment of financial transactions and business relationships. Using the online human rights guidance tool ([unepfi.org/humanrightstoolkit](http://unepfi.org/humanrightstoolkit)) which we helped to develop in conjunction with other

financial institutions participating in the former UNEP FI social issues advisory group, we provide guidance on: identifying potential human rights risk in lending and investing; assessing the materiality of the risk; and identifying possible risk mitigation opportunities.

We provide internal guidance for lending and relationship managers on how to integrate human rights issues into their assessment of financial transactions and business relationships.

In line with the UK Modern Slavery Act's requirements, we have published our updated 2017 Modern Slavery Statement<sup>a</sup> which outlines how we are continuing to minimise the risk of modern slavery and human trafficking in our operations, supply chain and the steps we are taking within our client and customer base. In 2017 we developed an online training module on modern slavery, specifically targeting our client and customer facing teams, the events, roadshows and hospitality team and procurement colleagues. The module focuses on how we mitigate the risk of modern slavery and human trafficking in our supply chain, our client and customer base and direct operations.

89%<sup>△</sup>

suppliers paid on time

### Driving action against modern slavery

In October 2017, Barclays ran a Community Awareness Campaign in our Peterborough branch in partnership with NGO 'Stop the Traffik'. The event, which ran across two days, focused on forced labour and raised awareness among branch staff, local law enforcement, customers and community members of signs to look out for and what to do if modern slavery is suspected. This forms part of a wider programme of work conducted by Barclays Financial Intelligence Unit, which has developed specific account and behavioural typologies to track and identify potential suspicious activity of clients and customers. This information is passed to branch staff via targeted training sessions, to empower them to take action if

they suspect modern slavery or human trafficking. As a result of this work, over 200 customer accounts have been exited and details passed to local law enforcement.

Barclays also launched an online, modern slavery training module, specifically targeting client and customer facing teams for certain sectors, the events, roadshows and hospitality team and procurement colleagues. The module provides an introduction to modern slavery, how it is relevant to Barclays and what colleagues should do if they suspect it.

#### Managing our environmental footprint

Barclays is committed to managing our own carbon footprint and reducing our absolute carbon emissions.

In 2017, we reduced our emissions by 26.1% keeping us on track to achieve our 30% carbon reduction by 2018. We exceeded the in-year target through the implementation of our managed energy efficiency programme aimed at improving the operational efficiency of our property portfolio. We also saw a reduction in our business travel emissions through the implementation of stricter controls on business travel and approval processes.

#### Energy efficiency programme

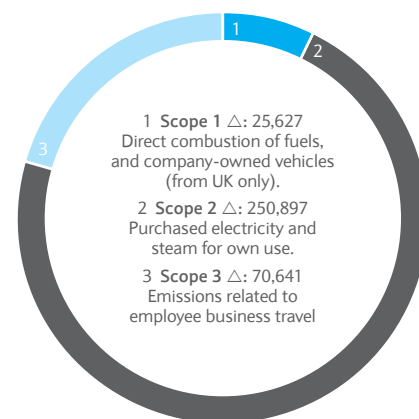
Our energy efficiency programme consists of leveraging annual building maintenance routines to upgrade equipment to energy efficient equipment leading to improved energy consumption. In 2017 we ran LED lighting upgrades, Building Management System improvements and realigned our building set points in our properties globally. In our data centres we have decommissioned unused hardware from our server estate and installed more power efficient modern virtual servers as well as introduced modern cooling equipment leveraging cooler outside air temperatures.

We set internal targets for water, waste and paper to facilitate our data collection framework in this area. We also held a number of events and campaigns throughout 2017 with our highlight being our participation in Earth Hour where 15% of our portfolio participated in switching off building lights for an hour.

26.1%<sup>△</sup>

reduction in global carbon emissions versus the 2015 baseline

Total emissions by scope 2017 (tonnes CO<sub>2</sub>e)



Notes

<sup>△</sup> Within KPMG's limited assurance scope. Please see page 67.

<sup>a</sup> Modern Slavery Statement available at [home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017](http://home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017)

## Our strategic priorities

# ESG ratings and indices

### ESG ratings and benchmarks

Barclays strategy and performance on a range of ESG factors is evaluated by external agencies annually. Although there are challenges around the consistency of ESG information across companies and analytical ESG frameworks are still developing, we believe it is important that investors, companies and other market participants continue to enhance consistency and transparency to support increasingly robust performance benchmarks in the future. In line with this approach, we contribute to several ESG ratings and publicly report our overall performance annually.

In 2017, we improved or broadly maintained our performance scores in key ratings and indices, however, there is an opportunity to continue to enhance our rankings on an absolute and relative basis. There are a wide range of different methodologies and scoring models applied by ESG agencies but we expect to see increased harmonisation in future years driven by more consistent disclosure and enhanced research and analysis on material ESG factors.

#### Dow Jones Sustainability Index:

The Dow Jones Sustainability Index (DJSI) series tracks the financial performance of the leading sustainability-driven companies worldwide. In 2017, we maintained our membership of the DJSI World Index. Our score marginally decreased to 83/100 overall (financial industry average 58/100 and industry best score 94/100).

#### FTSE4Good:

The FTSE4Good Index Series is designed to objectively measure the performance of companies that meet globally recognised corporate responsibility standards. We have been a member of the FTSE4Good Index since its inception in 2001. In 2017, our absolute score was 4.1/5 (up from 3.9/5 in 2016). Percentile ranking within the global Banks sector increased by 13 points to the 91st percentile (2016: 78th percentile).

#### MSCI ESG Ratings:

MSCI is a leading investor-focused ESG ratings research provider. Barclays maintained a 'BBB' rating in 2017.

#### Sustainalytics ESG Ratings:

Sustainalytics is a leading provider of ESG research and analysis, serving investors and financial institutions around the world. Barclays ESG score marginally decreased to 61 points in 2017, from 62 points in 2016.

#### Carbon Disclosure Project (CDP):

The CDP runs a global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts. Our score has improved from C in 2016 to B in 2017.

### Awards and recognition

#### Awards

- Investment Week's Sustainable Investment Awards: Innovation (Funds & Portfolios) – Barclays Multi-Impact Growth Fund
- Business in the Community's Responsible Business Award: (for the third year in a row) – Barclays LifeSkills and Barclays Apprenticeships
- The Prince's Trust Corporate Employee Award in the category 'Services to Young People' – Barclaycard
- Education Investor, 'Lender of the Year' Award – Barclays Education, Social Housing and Local Authorities team
- The London Institute of Banking & Finance, Financial Innovations Awards: Innovation in Supporting Business and Enterprise – Supporting/Assisting Growth and Development – Barclays – Rise
- The London Institute of Banking & Finance, Financial Innovations Awards: Best Mobile Banking, Barclays Bank – Business Instant Lending on Mobile
- Best Marketing Campaign of the Year and Best Security or Anti-Fraud Development Card and Payment Awards – Barclaycard Payment Solutions

- FStech and Retail Systems, Payments Awards: Best Contactless Payments Project – Barclaycard
- Moneywise Mortgage Awards: Best lender for first-time buyers with family support and best lender for large loans – Barclays
- What Mortgage Awards: Best Online Lender – Barclays
- New York City Employment and Training Coalition's, Outstanding Employer Award – for recognising Barclay's commitment to workforce development in New York
- Business Disability Forum's, Disability-smart Awards, Technology initiative of the year – Barclays
- Loyalty360, Gold Award, Barclaycard Ring™ Mastercard® 'Fresh Start' campaign.


#### Recognition

- The London Institute of Banking & Finance, Financial Innovations Awards – Innovation in Supporting Business and Enterprise – Highly Commended – Barclays Eagle Labs
- Bloomberg, Forbes, CBS, Wired, Business Insider and 3BL Media – Unreasonable Impact programme was recognised for driving impact and innovation
- Inaugural Champions of Good event in Singapore, Barclays was honoured as a 'Catalyst of Change'
- AbilityNet – obtained accessibility accreditation by external experts on our barclaycard.co.uk website and re-accredited our major mobile banking apps Barclays Mobile Banking, PingIt and Barclaycard
- Stanford Social Innovation Review featured Barclays' Social Innovation Facility and Intrapreneur programmes
- Stonewall recognised Barclays as one of 12 Top Global Employers (for the fifth consecutive year)
- The Human Rights Campaign awarded Barclays 100% on our corporate equity index
- Working Families UK recognised Barclays as one of the top 10 Employers for Working Families in 2017
- The City of London and the Social Mobility Commission acknowledged the multicultural profile of the organisation through the Social Mobility Employer Index as a Top 50 Employer in 2017
- The Times' Top 50 Employers for Women list for the last seven years
- Working Mother Media US, top employer for women for the 4th year

Barclays' disclosures have been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) G4 Guidelines and we have reported against GRI criteria for relevant key performance indicators.

The GRI aims to drive sustainability reporting by all organisations by producing a comprehensive Sustainability Reporting Framework 'the Framework'. The GRI Sustainability Reporting Guidelines 'the Guidelines' provide standard global principles and reporting criteria for stakeholders interested in management and disclosure of social, economic and environmental impacts and performance of organisations.

The GRI launched its fourth generation Sustainability Reporting Guidelines (G4) in 2013. This is Barclays' fourth year reporting using the G4 framework. A number of sector-specific indicators have been disclosed in accordance with the Financial Services Sector Disclosures document.

 We have edited the GRI indicators description for the sake of clarity. Please refer to [g4.globalreporting.org](http://g4.globalreporting.org) for full indicator descriptions.

We will continue to refine our ESG reporting against appropriate frameworks over the coming years and also aim to align with the new GRI Standards approach in future years.

G4 disclosures General Standard Disclosures	
Strategy and analysis	31
Organisational profile	31
Identified material aspects and boundaries	33
Stakeholder engagement	33
Governance	39
Ethics and integrity	43

Specific Standard Disclosures Product responsibility	
Responsible lending	45
Environmental and social credit risk management	45
Product portfolio <sup>a</sup>	48
Local communities <sup>a</sup>	55

Specific Standard Disclosures Social	
People and training	56
Human rights	57
Anti-bribery and corruption	59

Specific Standard Disclosures Economic	
Economic performance	60
Indirect economic impacts	61
Procurement practices	62

Specific Standard Disclosures Environmental	
Materials	64
Energy	64
Water	64
Emissions	65
Effluents and waste	66

Note  
a Including Financial Services Sector Disclosures

# Future of food

Our support for companies innovating to reduce food waste and improve the efficiency of modern agriculture has seen us work with a number of the most promising start ups through our Unreasonable Impact programme.

Snact buy unwanted and surplus fruit from UK farmers to make delicious snacks and fight food waste. Snact use home compostable packaging and have saved over 200 tonnes of food from going to waste.

Facilitating a reduction in food waste through this unique partnership with Unreasonable Impact.



For more information on Unreasonable Impact, refer to page 17.






# G4 disclosures General Standard Disclosures

Key ● Fully disclosed ○ Partially disclosed ○ Not disclosed

## Strategy and analysis

Indicator requirement	Status
<b>G4-1</b> Provide a statement from the most senior decision-maker of the organisation (such as CEO, chair or equivalent senior position) about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.	●
Disclosure  At Barclays, citizenship, sustainability and social responsibility are some of the ways in which we live and embed our purposes and values. Please see the Chairman and Chief Executive introductions in the Barclays Strategic Report 2017.	

## Organisational profile

Indicator requirement	Status
<b>G4-3</b> Report the name of the organisation.	●
Disclosure Barclays PLC	

Indicator requirement	Status
<b>G4-4</b> Report the primary brands, products and services.	●
Disclosure Our services are described in the Annual Report. Further details can be found on our website at <a href="http://home.barclays/annualreport">home.barclays/annualreport</a>	


Indicator requirement	Status
<b>G4-5</b> Report the location of the organisation's headquarters.	●
Disclosure 1 Churchill Place, London E14 5HP, United Kingdom	

Indicator requirement	Status
<b>G4-6</b> Report the number of countries where the organisation operates and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report.	●
Disclosure We operate in over 40 countries around the world. Further information is available at <a href="http://home.barclays/about-barclays/around-the-world.html">home.barclays/about-barclays/around-the-world.html</a>	

Indicator requirement	Status
<b>G4-7</b> Report the nature of ownership and legal form.	●
Disclosure PLC (Public Limited Company).	

Indicator requirement	Status
<b>G4-8</b> Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	●
Disclosure The types of customers and the services we offer to each of them are described in the Annual Report. Further details can be found on our website at <a href="http://home.barclays/annualreport">home.barclays/annualreport</a>	

Indicator requirement	Status
<b>G4-9</b> Report the scale of the organisation.	●
Disclosure Barclays is a transatlantic consumer, corporate and investment bank offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in our two home markets of the UK and the US. With over 325 years of history and expertise in banking, Barclays operates in over 40 countries. Barclays moves, lends, invests and protects money for customers and clients worldwide.	

Indicator requirement	Status
<b>G4-10</b> Workforce	●
Disclosure  Please see the People section in the Annual Report 2017, which provides detailed information on employee statistics and workforce programmes. Further details can be found on our website at <a href="http://home.barclays/annualreport">home.barclays/annualreport</a>	

Indicator requirement	Status
<b>G4-11</b> Report the percentage of total employees covered by collective bargaining agreements.	●
Disclosure <ul style="list-style-type: none"> <li>Employees covered by collective bargaining agreements in the UK 2017: 90%, 2016: 78%</li> <li>Employee trade union members in the UK 2017: 31%, 2016: 35%.</li> </ul>	

(These figures are best estimates based on collective bargaining coverage and numbers in grades covered by collective bargaining.)

On 1 June 2017, we completed the sale of a 33.7% stake in Barclays Africa Group Limited (BAGL) resulting in a non-controlling, regulatory deconsolidated position. In 2016, we also reported global figures, however, we are no longer able to provide global estimates of trade union membership or coverage of collective agreements due to the deconsolidation of BAGL, a small European presence and no recognised trade unions in the US or Asia Pacific.

Context and approach

Shared growth ambition

General Standard Disclosures

Specific Standard Disclosures

KPMG Assurance Statement

# G4 disclosures General Standard Disclosures

## Organisational profile

Indicator requirement	Status
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**G4-12**  
Describe the organisation's supply chain.



**Disclosure**  
With nearly 17,000 companies from more than 34 countries supplying us across a broad range of products and services, our supply chain helps us deliver for all our customers, clients and colleagues. Our supply base is diverse, including start-ups, small- and medium-sized businesses, businesses owned, controlled and operated by underrepresented segments of society, as well as multinational corporations. Many of our direct suppliers have their own extensive supply chains, connecting us with thousands more businesses worldwide. Our supplier relationships are managed based upon a risk segmentation approach and are required to operate in accordance with our Supplier Code of Conduct – an extension of the Barclays Values throughout our supply chain.

You can find out more about what we expect of our suppliers here: [home.barclays/about-barclays/suppliers/requirements-of-external-suppliers.html](http://home.barclays/about-barclays/suppliers/requirements-of-external-suppliers.html)

Indicator requirement	Status
-----------------------	--------

**G4-13**  
Report any significant changes during the reporting period regarding the organisation's size, structure, ownership or its supply chain, including:



- changes in the location of, or changes in, operations, including facility openings, closings and expansions
- changes in the share capital structure and other capital formation, maintenance and alteration operations (for private sector organisations)
- changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination.

**Disclosure**  
In 2017, Barclays made strong progress implementing measures to prepare for ring-fencing and other changes in international banking standards, UK and US legislation, while also helping to accelerate our strategy.

Barclays will satisfy this requirement by setting up a new bank in the first half of 2018, which will separate from Barclays Bank PLC. The two entities will operate alongside, but independently from, one another as part of the Barclays Group under the listed entity, Barclays PLC.

The separation will be achieved by transferring the current Barclays UK division of Barclays Bank PLC into the new ring-fenced bank, which will offer everyday business and personal banking services in the UK to retail customers and smaller corporate business banking. Products and services designed for our larger corporate, wholesale and international banking clients will continue to be offered by Barclays Bank PLC and its subsidiaries.

A new Group Service Company, set up in September 2017, will deliver critical infrastructure services to businesses within the Barclays Group and enable Barclays to meet requirements in relation to operational continuity.

Details of the Group structure can be found in the Annual Report 2017. Further details can be found on our website at [home.barclays/annualreport](http://home.barclays/annualreport)

Indicator requirement	Status
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**G4-14**  
Report whether and how the precautionary approach or principle is addressed by the organisation.



**Disclosure**  
In 2017, we reviewed 180 transactions for environmental or social impacts. Refer to page 45 of this document for details.

Indicator requirement	Status
-----------------------	--------

**G4-15**  
List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.



- Disclosure**
- Equator Principles
  - Green bond Principles
  - United Nations Environment Programme Finance Initiative (UNEP FI)
  - Task Force on Climate-related Financial Disclosures (TCFD)
  - UN Principles for Responsible Investment (Barclays Asset Management Ltd and the Barclays UK retirement fund are signatories)
  - Wolfsburg Principles
  - Soft Commodities Compact (Banking Environment Initiative)
  - Living Wage (UK)
  - New York Declaration on Forests (2014)
  - The Paris Pledge for Action (2015).

Indicator requirement	Status
-----------------------	--------

**G4-16**  
List memberships of associations (such as industry associations) and national or international advocacy organisations in which the organisation:



- holds a position on the governance body
- participates in projects or committees
- provides substantive funding beyond routine membership dues
- views membership as strategic.

- Disclosure**
- Banking Environment Initiative
  - Equator Principles
  - United Nations Environment Programme Finance Initiative (UNEP FI)
  - Thun Group.

**Trade associations**  
Barclays is a member of several trade associations globally. These associations work to represent their members and shape industry's collective response to public policy issues. A summary of the key associations in which we participate is also available on our website at [barclays.com/citizenship/reports-and-publications/public-policy.html](http://barclays.com/citizenship/reports-and-publications/public-policy.html)

**Identified material aspects and boundaries**

Indicator requirement	Status
<p><b>G4-17</b> List all entities included in the organisation's consolidated financial statements or equivalent documents.</p> <p>Report whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the report.</p> <p>Disclosure This report covers Barclays operations globally except for Barclays Africa Group Limited (BAGL). On 1 June 2017, Barclays sold 33.7% of the issued share capital of BAGL. We completed the disposal ahead of schedule, selling-down our holding in BAGL to a non-controlling, regulatory deconsolidated position.</p> <p>Please refer to Barclays Africa Group Limited (BAGL) disclosures available at <a href="http://barclaysafrica.com/barclaysafrica/Investor-Relations/Announcements-and-publications/Annual-and-interim-reports">barclaysafrica.com/barclaysafrica/Investor-Relations/Announcements-and-publications/Annual-and-interim-reports</a></p> <p>As part of our CRD IV Country by Country Reporting requirements, we also publish a list of the main entities that Barclays operates around the world and which together contribute over 90% of the Group's turnover. This document is available at <a href="http://home.barclays/citizenship/reports-and-publications/country-snapshot.html">home.barclays/citizenship/reports-and-publications/country-snapshot.html</a></p>	●

Indicator requirement	Status
<p><b>G4-18</b> Explain the process for defining the report content and the Aspect Boundaries.</p> <p>Explain how the organisation has implemented the Reporting Principles for Defining Report Content.</p> <p>Disclosure <b>Materiality process description</b> <b>1. 2017 process for defining report content, aspect boundaries and material topics</b> Every year, we revisit our materiality process to ensure that previous assessments are still valid and to assess if any additional relevant topics need to be considered or less relevant topics removed.</p> <p>In 2017, we followed the GRI G4 materiality process as described in the G4 Sustainability Reporting Guidelines. Following a materiality assessment conducted last year, this year we reviewed the existing materiality matrix based on the outcomes of an internal desktop study.</p> <p>The desktop study included a review of engagement outcomes with external stakeholders, results of Barclays' sustainability benchmarks performance, horizon scans, media analysis and regulatory changes within the non-financial reporting space.</p> <p>We have also assessed alignment with the United Nations' Sustainable Development Goals (see page 20) and reflected the focus on climate disclosure driven by the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) on page 25.</p>	●

**2. Prioritisation of relevant topics**  
Outcomes of the stakeholder engagement and desktop study were presented to the working group for prioritisation. As in last year, the working group comprised representatives from different parts of the business, chosen for their specialised knowledge of different stakeholder groups (including reputation risk and sustainability teams and subject matter experts).

It was considered to have a high importance to Barclays if it: a) impacts more than one business unit or function, b) impacts multiple geographical locations, c) is critical for our long-term performance or d) is likely to cause risks or opportunities to arise for Barclays.

Following this year's review, we have confirmed that the existing materiality matrix continues to reflect the relevance and prioritisation of the key material issues.

We have enhanced disclosures on specific issues in 2017 including climate change risk and opportunities in the Annual and ESG reports; cybersecurity and digital safety; vulnerable retail clients and consumer debt support; gender diversity and pay disclosures and modern slavery.

We have also improved signposting to other parts of the Annual Report suite and added summary information regarding Board oversight of ESG matters and ESG risk management.

The only changes that we are making are to broaden some of the themes i.e. the 'customer satisfaction' to 'customer and client experience' which will include services delivered to all retail and institutional client segments; 'climate change risks and opportunities' to 'climate change/ environmental risks and opportunities' and 'human rights' to 'human rights/Modern Slavery Act'.

**3. Validation**  
We have assessed the result of our materiality process assessment against the outcome of previous stakeholder engagement exercises. We have also aligned the citizenship materiality assessment to the Barclays Annual Risk Factors Review which also considers the most material aspects, such as legal, conduct, tax, financial performance and financial crime. The final output of the materiality process has fed into the planning stages of our Annual Report and ESG Report. The ESG Report content and GRI disclosures have been approved by senior management and Board Committees.


Context and approach  
Shared growth ambition  
General Standard Disclosures  
Specific Standard Disclosures  
KPMG Assurance Statement


Identified material aspects and boundaries


4. Review

In previous years, we have engaged KPMG LLP to provide limited assurance over the presentation of our description of our materiality process as marked with the symbol. Due to the fact that our materiality review has not brought about significant changes, we decided not to seek a third-party review this year.

Indicator requirement	Status
<b>G4-19</b> List all the material Aspects identified in the process for defining report content.	
Disclosure Refer to G4-18	

Indicator requirement	Status
<b>G4-20</b> For each material Aspect, report the Aspect Boundary within the organisation.	
Disclosure Refer to Reporting Criteria at <a href="http://home.barclays/citizenship/our-reporting.html">home.barclays/citizenship/our-reporting.html</a>	

Indicator requirement	Status
<b>G4-21</b> For each material Aspect, report the Aspect Boundary within the organisation.	
Disclosure Refer to Reporting Criteria at <a href="http://home.barclays/citizenship/our-reporting.html">home.barclays/citizenship/our-reporting.html</a>	

Indicator requirement	Status
<b>G4-22</b> Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	

Disclosure  
**Environmental data**  
Barclays' data collection processes are continuous, and each year we report the most accurate data then available for the baseline and subsequent years. This can lead to restatements of previously reported data if data quality improves, more data is available or updated carbon emission factors are applied.

In cases where we have collected new data for previously unreported consumption, we will go back and restate the baseline if the new data amounts to a material change greater than 1% of the total consumption. If the change is less than 1%, we will report consumption from the point at which the data became available. If it is greater than 1%, we will restate the baseline and previous year's figures based on actual or estimated figures. Reasons for restatements in data are due to more accurate data being available which led to replacements of estimates with actual data for 2015 and 2016. In 2017, we have also aligned to the latest carbon conversion factors as released by the GHG Protocol.

The following restatements apply this year to previously reported 2015 data:

Metric	2015 new (2017 AR)	2015 old (2016 AR)	2016 new (2017 AR)	2016 old (2016 AR)
Energy (MWh)	882,360	912,825	837,499	836,000
Carbon (tCO <sub>2</sub> e)	469,535	489,621	402,531	406,242
Scope 3 emissions (tCO <sub>2</sub> e)	98,379	108,777	67,336	74,017

Access to finance

Financing delivered in select social and environmental segments

Financing volume is tracked across selected segments and business lines according to specific social and environmental inclusion criteria. Barclays commissioned Sustainability, a global provider of ESG and corporate governance research, ratings and analytics, to help develop an Impact Eligibility Framework for assessing financing in social and environmental segments. The framework is reviewed annually and is available on our website at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html)

In 2017, we reviewed and updated the framework and underlying qualifying social and environmental categories. We have restated 2016 actuals due to new qualifying categories which now include National Development Finance institutions and sovereign issued green bond transactions.

The following restatements apply this year to previously reported 2016 data:

Type of financing	2016 new (2017 AR)	2016 old (2016 AR)
Environmental financings	1.85	1.85
Social financings	28.67	19.28
Total (£bn)	30.5	21.1

Indicator requirement	Status
<b>G4-23</b> Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	●
<p>Disclosure</p> <p>There were no significant changes from previous reporting periods in the Scope and Aspect Boundaries.</p>	

**Stakeholder engagement**

Indicator requirement	Status
<b>G4-24</b> Provide a list of stakeholder groups engaged by the organisation.	●
<p>Disclosure</p> <p>See G4-27</p>	

Indicator requirement	Status
<b>G4-25</b> Report the basis for identification and selection of stakeholders with whom to engage.	●
<p>Disclosure</p> <p>Extensive market research programmes help confirm that Barclays engagement programmes both target and reach key stakeholders.</p>	

Indicator requirement	Status
<b>G4-26</b> Report the organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	●

Disclosure

**Barclays key stakeholder groups**

Our Shared Growth Ambition is helping to create and grow products, services and partnerships that improve the lives of people in the communities which we serve, while providing a sustainable commercial return. In order to understand where and how our business can have the biggest positive societal impact and how we can best serve all our stakeholders, we must engage, listen, understand and work together.

Our dedicated teams take an integrated approach to engaging with each stakeholder group: maintaining ongoing dialogue, focusing our priorities and holding us to account.

Twice annually, via independent research, Barclays engages 2,000 key stakeholders from civil society, government, media, and business sectors from across our global footprint, to critically assess the impact of our work. In addition, we reach out to and ask for consumer opinions on a continuous basis, to ensure our products and services are meeting expectations.

Throughout 2017, we have been working closely with stakeholders from across the groups identified in G4-27 to ensure we better serve them. We work hard to act on feedback and collaborate openly, work together and to address societal challenges, so that we can collectively improve more lives and provide more people with access to a prosperous future. Pages 36 to 37 provide a summary of this ongoing engagement.



## Stakeholder engagement

Indicator requirement

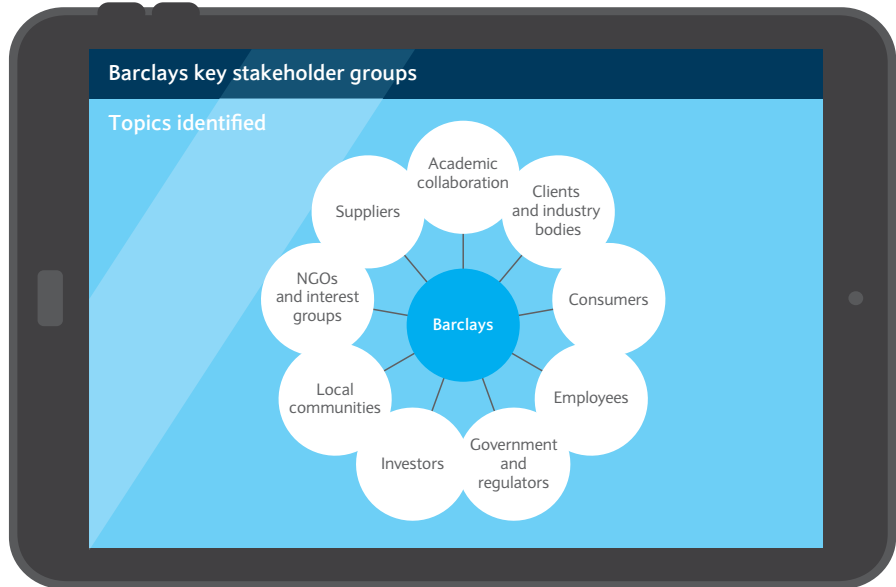
Status

### G4-27

Report key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.

### Disclosure

Please see the following key topics of joint interest, our response and 2017 outcomes for each key stakeholder group.



## Academic collaboration

### Topics identified

- Green finance
- Charity finance
- Social enterprise and impact investing

### Our response

Universities and academic institutions are key stakeholders as we seek to better understand how we can provide the biggest positive social and environmental impacts through the products and services we offer. Whether this is through direct partnerships, seeking academic advice in programme, product or service development or collaboration on thought leading research – Barclays works closely with academic organisations from across the globe.

### Outcomes

- Partnered with Columbia Water Center to launch 'Rising to the water challenge'.
- Partnered with CASS Business School to develop a Charities Learning Series.

## Clients and industry bodies

### Topics identified

- Impact of Brexit
- Fraud
- Digital innovation and security
- Green finance

### Our response

Barclays joins and contributes to industry body expert and focus groups at a national and local level – deepening two-way dialogue, building understanding and increasing insight.

Through collaboration between industry bodies, academics and researchers Barclays also develops a series of thought leadership reports and publications. Each is designed to contribute to wider thinking on key topics affecting our business, clients and communities.

Our 2017 reports can be found on our website.

### Outcomes

- Recommendations by the Federation of Small Business helped us consider and look for solutions to mitigate impacts of our branch closures on SMEs.
- Jointly ran a Cyber Security Summit and subsequent white paper with the IoD.
- Barclays Fraud Centre launched.

## Consumers

### Topics identified

- Fraud and digital vulnerability
- First home purchasing
- Transparency and accessibility
- Complaints and ring-fencing changes

### Our response

We regularly reach out to consumers and consumer groups in order to understand their finance priorities and how they feel about our products and services. This helps us tailor our products and services to best serve all consumers.

Consumer insight has led us to develop: tailored products to better serve customers during significant financial events; specialised services for accessibility; televised campaigns aimed at better protecting consumers from fraud and being digitally safe.

We compile and publish complaints data and we continually strive to improve banking experience.

### Outcomes

- 4.8m have taken action on the back of our digital safety campaign.
- £857m of fraud prevented in 2017.
- See the Strategic Report 2017 for further information on customer topics.

## Employees

### Topics identified

- Integration of Barclays' culture and values
- Continuous learning
- Diversity, inclusion and well-being
- Restructuring

### Our response

Colleague engagement and well-being is vital for healthy business. At Barclays we have a continuous learning mentality, ensuring training and development is available for all, with strong diversity, inclusion and well-being programmes working in parallel: [home.barclays.com/diversity](http://home.barclays.com/diversity)

In addition, we consult with bodies such as unions, employee forums and Works Councils on colleague matters.

Our work is driven by insight including our global colleague opinion survey: Your View. Further details are in the People section of the Strategic Report at [home.barclays.com/annualreport](http://home.barclays.com/annualreport)

### Outcomes

- 8,500+ colleagues pledged to the UN's HeForShe campaign. Seven years in The Times' Top 50 Employers for Women list. Bloomberg Gender Index 90.75%, +3.75% from 2017 index.
- Winner 2017 BITC Award for Championing an Aging Workforce.
- Successfully achieved the Structural Reform colleague transfer programme.

## Government and regulators

### Topics identified

- Regulatory reform and Brexit impacts
- Open banking reform
- Green finance
- Modern slavery

### Our response

We have a responsibility to engage with policymakers including governments, parliamentarians and regulatory bodies. Our views are often sought by policymakers and we have an obligation to contribute in an accurate, factual and meaningful way, on socioeconomic policy issues.

We respond through our dedicated Government Relations and Regulatory Policy teams who consult with ministers and regulators via meetings, roundtables and position papers.

We are committed to transparency and publish information on public policy on our website at [home.barclays.com/citizenship/reports-and-publications/public-policy.html](http://home.barclays.com/citizenship/reports-and-publications/public-policy.html)

### Outcomes

- Participation in the UK Government's Green Finance Taskforce.
- Joined the Home Office's Modern Slavery Business Forum as a founding member.
- 35 MPs attended Barclays digital safety events in 2017.

## Investors

### Topics identified

- Financial and non-financial performance
- Capital and leverage
- Sustainable returns

### Our response

With the investor community's increased recognition of ESG factors materially affecting risk and returns, we have responded with clear and transparent information on our ESG strategy and the systems we have in place to manage ESG risks. Quarterly results announcements, ESG Report published with our Annual Report, 1:1 meetings with analysts and investors, and direct collaboration with ESG rating agencies are some of the ways we do this.

Detailed information on Barclays Investor Relations and our financial performance is available at [home.barclays.com/barclays-investor-relations.html](http://home.barclays.com/barclays-investor-relations.html)

### Outcomes

- Enhanced investor interest leading to increased engagement on ESG issues throughout 2017.
- Continued to engage with benchmarking agencies to ensure that investors are provided with ESG ratings based on the latest information.

## Local communities

### Topics identified

- Access to services
- Fraud and scams
- Access to employment

### Our response

In 2017, we continued to work with local communities on a number of issues that impact them, including via community interest groups, local, regional and national media and through our branches and Eagle Labs. For example, our Barclays DigiSafe campaign saw the launch of a range of activities to prevent fraud and scams (see page 15). Barclays Community Wings modules enables colleagues to better serve both customers and their local communities.

We engage with local communities through our Citizenship strategy – Access to employment. See pages 16 to 19.

### Outcomes

- 5.5 million young people have now participated in LifeSkills since May 2013.
- We have over 24,000 colleagues using Barclays Community Wings.
- In 2017, we launched five new Eagle Labs – SME co-working and community spaces.

## NGOs and interest groups

### Topics identified

- Transition to a low carbon economy
- World heritage sites
- Modern slavery
- Transparency

### Our response

We engage and work with NGOs and other interest groups to improve our understanding of emerging and existing ESG topics.

Throughout 2017, over 84 different NGOs joined our open, cross-sector events to explore sustainability agendas, where collaboration and joint action are needed for positive societal impact. In addition, we participated in forums and roundtables, and joined industry, sector and topic debates. We continue to engage on an ongoing basis through Barclays' Citizenship teams.

### Outcomes

- 40 stakeholders joined Barclays WEF workshop: Inclusive social innovation into business.
- Delivered a two-day Modern Slavery Awareness Campaign in Peterborough with NGO, Stop the Traffik.
- Became founder member of UNEP FI TCFD pilot.

## Suppliers

### Topics identified

- Diversity and inclusion
- Environmental sustainability
- Anti-modern slavery
- Prompt payment

### Our response

We engage via supplier events, research and training. We continue to promote prompt payment to suppliers across the Group.

In recognition of the ESG impacts of our supply chain and our ability to influence this, we responded by awarding suppliers for environmental impact reduction and launching internal supplier manager training to ensure the managers proactively account for social and environmental impacts with their suppliers. We also review, refresh and enhance our Supplier Sustainability Code of Conduct, mirroring our controls and objectives to avoid harm to the environment and modern slavery.

### Outcomes

- Requested 100 of our high-risk suppliers (by spend) to respond to Carbon Disclosure Project's (CDP) Climate Change questionnaire, with a 58% response rate.



## Report profile

Indicator requirement	Status
<b>G4-28</b> Reporting period (such as fiscal or calendar year) for information provided.	●
Disclosure Year ended 31 December 2017.	
<b>G4-29</b> Date of most recent previous report (if any).	●
Disclosure Year ended 31 December 2016.	
<b>G4-30</b> Reporting cycle (such as annual, biennial).	●
Disclosure Annual.	

We have been reporting key citizenship performance information within our Strategic Report, as part of the Annual Report, since 2014. However, Barclays has been producing a separate Annual Report since 1990 and a Citizenship or Corporate Social Responsibility (CSR) report since 2002.



These are available in our archives: for Annual Reports please see [home.barclays/citizenship/our-approach/our-archive.html](http://home.barclays/citizenship/our-approach/our-archive.html)

Indicator requirement	Status
<b>G4-31</b> Provide the contact point for questions regarding the report or its contents.	●
Disclosure <b>Citizenship@barclays.com.</b> 1 Churchill Place, London E14 5HP	
<b>G4-32</b> Report the 'in accordance' option the organisation has chosen. Report the GRI Content Index for the chosen option. Report the reference to the External Assurance Report, if the report has been externally assured.	●
Disclosure Barclays reports in accordance with the Core option of the GRI G4 Guidelines, as evidenced by this table, Annual Report and supporting disclosures. Refer to G4-33 for details on assurance.	
<b>G4-33</b> Report the organisation's policy and current practice with regard to seeking external assurance for the report.	●
If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. Report the relationship between the organisation and the assurance providers. Report whether the highest governance body or senior executives are involved in seeking assurance for the organisation's sustainability report.	
Disclosure KPMG LLP undertook a limited assurance engagement over selected performance information in this report. Refer to their statement on page 67. The outcomes of the assurance along with relevant recommendations are presented in the Management report that is reviewed at senior level and circulated to data owners.	



**Governance**

Indicator requirement	Status
<b>G4-34</b> Report the governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	●

**Disclosure**  
The Board is responsible to shareholders for creating and delivering sustainable shareholder value through the management of the Group's businesses. It should, therefore, determine the strategic objectives and policies of the Group to deliver long-term value, providing overall strategic direction within a framework of rewards, incentives and controls.

The Board must ensure that management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives.

The Board, in order to be effective, should demonstrate ethical leadership and promote the Company's collective vision of values, culture and behaviours. Directors must act in a way they consider, in good faith, would promote the success of the Company for the benefit of the shareholders as a whole and, in doing so, have regard (among other matters) to:

- (a) the likely consequences of any decision in the long term
- (b) the interests of Barclays' employees
- (c) the need to foster Barclays' business relationships with suppliers, customers and others
- (d) the impact of Barclays' operations on the community and the environment
- (e) the desirability of Barclays' maintaining a reputation for high standards of business conduct
- (f) the need to act fairly between shareholders of Barclays.

Environmental, social and reputational issues form part of the remit of the Board Reputation Committee. The principal purpose of the Committee is to review, on behalf of the Board, the efficiency of the processes for the identification and management of conduct risk and reputation risk. It also reviews and monitors the effectiveness of Barclays' Citizenship strategy, which includes Barclays' social and environmental contribution. The Committee's report for 2017 is available on pages 69 to 74 of the Annual Report.



Please see the Directors' report within the Annual Report 2017 for further information on the Board of Directors and Board Committees.

Indicator requirement	Status
<b>G4-35</b> Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	●

**Disclosure**  
The Group Board delegates authority for oversight of environmental and social topics to the Board Reputation Committee, which reviews management's recommendations on conduct and reputational risk and the effectiveness of the processes by which the Group identifies and manages these risks. It also reviews and monitors the effectiveness of Barclays' Citizenship strategy, which includes Barclays' social and environmental contribution (see G4-45 and G4-48 for further detail). The Board Reputation Committee provides challenge and strategic direction to the Group Head of Compliance and other executive stakeholders such as the Group Head of Government Relations and Citizenship.

The Global Citizenship Council (GCC) is a management committee comprised of senior leaders with responsibility for providing overall strategic direction and leadership of Barclays Global Citizenship strategy and driving engagement, collaboration, consistency and alignment across all business units, functions and geographies in relation to the Citizenship strategy.

Indicator requirement	Status
<b>G4-36</b> Report whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	●

**Disclosure**  
The Group Head of Government Relations and Citizenship leads a range of specialist teams and has a reporting line into the Group Chief Executive. The Head also presents regular updates to the Board Reputation Committee and management committees.

Indicator requirement	Status
<b>G4-37</b> Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	●

**Disclosure**  
Barclays conducts a series of stakeholder engagement and horizon-scanning exercises on a regular basis. These are designed to gather stakeholder insight from a broad range of groups, including investors, academics and NGOs, and provide more detail on current and emerging reputation and citizenship issues. Results from stakeholder engagement and horizon scanning are communicated to the Board Reputation Committee.



## Governance

### Barclays Board

The Board is responsible for creating and sustaining shareholder value, through setting and overseeing the implementation of Barclays' strategy

#### Board Audit Committee

- Reviews accounting policies and financial reports
- Monitors the internal control environment
- Considers the adequacy and scope of the internal and external audit
- Reviews and monitors the Group's whistleblowing policies

#### Board Nominations Committee

- Reviews the composition of the Board
- Recommends the appointment of new Directors
- Considers succession plans for the Chairman and Group Chief Executive
- Oversees the annual Board effectiveness review

#### Board Remuneration Committee

- Sets principles and parameters of remuneration for Barclays
- Considers and approves remuneration for Executive Directors and senior executives
- Governs employee share schemes

#### Board Reputation Committee

- Considers Barclays' conduct and reputational risk issues and exposures
- Reviews and approves Barclays' overall Citizenship strategy
- Oversees Barclays' approach to customer and regulatory matters

#### Board Risk Committee

- Monitors and recommends financial and operational risk appetite
- Monitors the financial and operational risk profile
- Reviews limits for types of financial and operational risk

#### Indicator requirement

#### Status

##### G4-38

Report the composition of the highest governance body and its committees.

#### Disclosure

As at the date of this report, the Barclays Board has 14 members, including the Chairman, two executive Directors and 11 non-executive Directors.

The gender balance at this date is three female Directors (21%) and 11 male Directors (79%)<sup>a</sup>.

Further detail on the composition of the Board, Director biographies and the principal Board Committees is available in the Governance report of the Annual Report.



#### Indicator requirement

#### Status

##### G4-39

Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organisation's management and the reasons for this arrangement).

#### Disclosure

The Chairman of the Board of Directors is not an executive officer, with separation between the roles of Chairman and Chief Executive.



#### Indicator requirement

#### Status

##### G4-40

Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members



#### Disclosure

When recruiting a new non-executive Director, the specific skills that are needed are identified, for example, an individual with international experience, or recent history serving on a particular board committee. The balance and mix of appropriate skills, competencies and experience of non-executive Directors will be taken into account when considering a proposed appointment. The behaviours likely to be demonstrated by potential non-executive Directors will also be considered when interviewing for new appointments to ensure that an environment in which challenge is expected and achieved is maintained in the boardroom.

In reviewing Board composition, the Board Nominations Committee considers a skills matrix for the Board, which identifies the core competencies, skills, diversity and experience required for the Board to deliver its strategic aims and govern the Group effectively. Certain attributes identified in the skills matrix have a target weighting attached to them and these are regularly updated over time to reflect the needs of the Group. The Committee reviews the skills matrix when considering a new appointment to the Board, as well as reviewing the current and expected Board and Board Committee composition.

See Corporate governance at [Barclays home.barclays/about-barclays/barclays-corporate-governance.html](http://Barclays.home.barclays/about-barclays/barclays-corporate-governance.html) for more detail and refer to Board Nominations Committee report for 2017 in the Annual Report 2017.

#### Note

<sup>a</sup> Mike Turner CBE was appointed to the Board with effect from 1 January 2018.

Indicator requirement	Status
<p><b>G4-41</b> Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.</p>	●
<p>Disclosure No Director will put themselves in a position where their interests conflict or may be perceived to conflict, with those of the Group. Directors must not accept a benefit from a third party conferred by reason of: (a) being a Director, or (b) doing (or not doing) anything as a Director.</p> <p>If Directors have any doubts whether a conflict or potential conflict may arise, before doing anything that might compromise the Group, non-executive Directors should consult the Chairman or Company Secretary and Executive Directors should consult the Chief Executive.</p> <p>Directors are required to notify the Company Secretary in advance of any potential conflicts arising through other Directorships, shareholdings or other relationships. If a conflict or potential conflict may arise, Directors must seek authorisation from the Board, in accordance with Barclays' Articles of Association. Once authorised, conflicts will be recorded in a Conflicts Register to ensure the Director's duty to avoid conflicts is not infringed. Directors are also required to notify the other Directors of any potential or existing transactional conflicts and may do so via the Company Secretary.</p>	

Indicator requirement	Status
<p><b>G4-42</b> Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.</p>	●
<p>Disclosure See G4-34 and G4-45</p>	

Indicator requirement	Status
<p><b>G4-43</b> Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.</p>	●
<p>Disclosure Part of the role requirement for the Chairman of the Board Reputation Committee includes:</p> <p>The Chairman must have a good understanding of corporate social responsibility and sustainability principles and make every effort to keep up to date with domestic and international best practice developments.</p> <p>As part of the annual performance evaluation process the individual development needs of each non-executive Director are reviewed and discussed with the Chairman. Training can be provided through one-to-one meetings with senior executives, in order to receive further insight into a particular area of the Group's business, or as part of dedicated training on a particular issue identified by the Directors and the Company Secretary.</p> <p>See Corporate governance at Barclays <a href="http://home.barclays/about-barclays/barclays-corporate-governance.html">home.barclays/about-barclays/barclays-corporate-governance.html</a></p>	

## Developing sustainability guidelines for sensitive sectors

During the year, the Board Reputation Committee has given consideration to Barclays' exposure to environmental, social and sustainability matters through its business relationships and challenged management to establish a more formal and proactive approach to documenting policy positions and guidelines in relevant sectors.

In response to recommendations from the Committee, management has commenced work to review Barclays' involvement and practices in certain 'sensitive sectors' and are in the process of reviewing proposals for sector-specific policies that will articulate the intentions of Barclays in these areas. The Committee will be reviewing and approving these policies during 2018 and look forward to reporting on their content and implementation in next year's Annual Report.


The Committee considers that the establishment of sector-specific policies and guidelines will be a significant step in further enhancing the role that Barclays plays in the wider business community and believe they will improve the quality of the Company's future reporting on climate change and other matters of social and environmental interest.



See the Committee's report on pages 69 to 74 of the 2017 Annual Report for further information.

Governance

Indicator requirement	Status
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**G4-45** 

a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.

b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.

**Disclosure**  
The Board Reputation Committee reviews and approves Barclays' overall Citizenship strategy and associated policies, including policies on financial inclusion, diversity, citizenship and environment, ensuring that they take appropriate account of external developments and expectations.

During its deliberations the Board Reputation Committee gives consideration to the impact Barclays has on its customers, clients, employees and other stakeholders and fulfils a vital role on behalf of the Board by monitoring key indicators across the areas of conduct, culture, citizenship and customer complaints. This includes, for example, assessing not only the volumes of customer complaints that we receive, but also the way in which they are handled. It covers assessing the results from regular employee opinion surveys and the actions being taken to address any common issues or themes that arise across the business. It also includes oversight of the delivery of our Citizenship strategy, the Shared Growth Ambition, where our long-term aim is to create and grow a collection of products, services and partnerships that improve the lives of people in the communities that we serve. All of this activity can and does support the Board's over-arching objective of delivering sustainable returns for our shareholders.

b. Barclays conducts regular stakeholder engagement and horizon scanning exercises to identify current and emerging reputational, social and environmental issues, which are communicated to RepCo. In addition, the results of Barclays' annual materiality assessment for ESG and non-financial reporting is also reviewed by the Committee as part of their approval of the ESG Report.

Indicator requirement	Status
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**G4-48** 

Report the highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.

**Disclosure**  
The Board Reputation Committee monitors key indicators across the areas of conduct, culture, citizenship and customer complaints using a series of dashboards that are updated quarterly.

The Board Reputation Committee also reviews and approves the content of Barclays' ESG Report and other relevant disclosures, including Barclays Group Statement on Modern Slavery.

Indicator requirement	Status
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**G4-51** 

a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration:


- fixed pay and variable pay
  - Performance-based pay
  - Equity-based pay
  - Bonuses
  - Deferred or vested shares
- sign-on bonuses or recruitment incentive payments
- termination payments
- clawbacks.

Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.


b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.

**Disclosure**  
a. A summary of the Barclays' Directors' remuneration policy and full remuneration disclosures are available in the Remuneration report on pages 93 to 116 in the 2017 Annual Report. The full policy can be found on pages 108 to 120 of the 2016 Annual Report.


b. Non-financial measures remain an important element of how we assess progress against our strategy. Barclays' Performance Measurement Framework incorporates a balance of key financial performance metrics and broader strategic non-financial measures including economic, social and environmental objectives. Progress against these objectives is informed by an assessment against our Shared Growth Ambition.

 Please see the non-financial performance section in the Strategic Report and the Remuneration report for further detail on the performance framework and 2017 outcomes at [home.barclays/annualreport](http://home.barclays/annualreport)


Indicator requirement	Status
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**G4-52** 


Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organisation.

**Disclosure**  
 Please see the Remuneration report on pages 93 to 116 of the 2017 Annual Report at [home.barclays/annualreport](http://home.barclays/annualreport)

Indicator requirement	Status
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**G4-53** 

Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.

**Disclosure**  
 Please see the Remuneration report on pages 93 to 116 of the 2017 Annual Report at [home.barclays/annualreport](http://home.barclays/annualreport)

**Ethics and integrity**

Indicator requirement	Status
<p><b>G4-54</b> Report the ratio of the annual total compensation for the organisation's highest paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest paid individual) in the same country.</p>	○
<p>Disclosure We provide detailed disclosures on remuneration in our Annual Report; this includes voluntary remuneration disclosures about levels of remuneration of employees in the Barclays Group and pay ratios between the pay of our CEO and our mean and median employees in the UK. Please see the Remuneration report in the 2017 Annual Report on pages 93 to 116 for further information.</p>	

Indicator requirement	Status
<p><b>G4-55</b> Report the ratio of percentage increase in annual total compensation for the organisation's highest paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest paid individual) in the same country.</p>	○
<p>Disclosure We provide detailed disclosures on remuneration in our Remuneration report; this includes voluntary remuneration disclosures about levels of remuneration of employees in the Barclays Group. Please see the 2017 Annual Report on pages 93 to 116 for more information.</p>	

Indicator requirement	Status
<p><b>G4-56</b> Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.</p>	●
<p>Disclosure Barclays' values are: Respect, Integrity, Service, Excellence and Stewardship. All Barclays colleagues have annual reviews, which include an assessment of their performance against these values.</p> <p>The Barclays Way – our Code of Conduct – was launched in 2013, replacing a number of existing codes of conduct with one unifying document. It outlines the Purpose and Values which govern our way of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, specifically (but not exclusively) with other Barclays employees, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community.</p> <p>As at end 2017, 99.9%<sup>△</sup> of our colleagues had completed mandatory training and attested to the Barclays Way (2016: 99.6%).</p> <p>The Barclays Way is available on our website at <a href="http://home.barclays/citizenship/our-approach/policy-positions.html">home.barclays/citizenship/our-approach/policy-positions.html</a></p>	

Indicator requirement	Status
<p><b>G4-57</b> Report the internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines.</p>	●
<p>Disclosure Arrangements are in place for employees to obtain free, independent and confidential advice on whether or how to make a whistleblowing report by calling the Public Concern at Work advice line or by visiting their website. Employees are also informed that they are able to raise their concerns directly with a regulator. When a concern is raised, where there is sufficient information, a case is created and the specific concern(s) independently reviewed. Where merited, concerns are escalated to senior management and where appropriate, regulators.</p>	

Indicator requirement	Status
<p><b>G4-58</b> Report the internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.</p>	●
<p>Disclosure Barclays strongly encourages employees to speak up about inappropriate conduct. When individuals feel empowered to raise concerns about an activity which may put our customers, employees, markets or Barclays at risk, they reinforce our commitment to our values of Integrity and Stewardship.</p> <p>The Raising Concerns (Whistleblowing) Policy and Whistleblowing Team are in place to ensure Barclays provides a process for colleagues to raise concerns about inappropriate conduct without fear of retaliation, and with confidence that a meaningful review will be conducted.</p> <p>In 2017, 83% of colleagues said it was 'safe to speak up in their business/function' and 86% believed they 'can report instances of dishonest or unethical behaviour without fear'.</p>	

Note  
<sup>△</sup> Within KPMG's limited assurance scope. Please see page 67.

# Future of sustainable living

More than half the world's population lives in cities which are facing pressure to meet the energy and transport demands of growing populations and combat the effects of pollution on public health. We are proud to have supported a number of rising star innovators in this field through the Unreasonable Impact programme.

Barclays is helping Riversimple – a sustainable, hydrogen fuel cell car company – scale up their technology to eliminate the environmental impact of personal transport.

Promoting sustainable transport solutions through this unique partnership with Unreasonable Impact.



For more information on Unreasonable Impact, refer to page 17.





# Specific Standard Disclosures Product responsibility

## Product responsibility

Indicator requirement

G4-DMA

Disclosures on management approach.

Disclosure

### Responsible lending for retail customers

We base our lending decisions on account information and behaviour to ensure that we give customers suitable credit and access to financial services.

We aim to help customers before they are in financial difficulty, and we have a number of preemptive teams that proactively reach out to customers to try to prevent them from going into arrears. Where a customer is struggling to maintain repayments, we will offer support and undertake an affordability assessment. Along with this we try to understand the nature of the customer's difficulties and ability to repay, to ensure that any solutions are appropriate, responsible and sustainable. This help is available at any stage at the customer's request, we will, however, proactively offer various levels of help as we see indications of financial difficulties on their account.

Our teams are trained to recognise signs where customers are in financial difficulty, and how they can have a discussion to help a customer to understand what they need to do to be financially healthy. In the UK, we help customers do this in a variety of ways including:

- reductions in minimum payment requirements for credit cards
- short-term reductions in loan repayment amounts
- longer-term plans that combine lower repayments with reduced interest rates.

These agreements may be initiated by the customer, Barclays or a third party and include approved debt counselling plans, minimum due reductions, interest rate concessions and switches from capital and interest repayments to interest-only payments. See the Annual Report Risk review section for more detail on our forbearance programmes at [home.barclays/annualreport](http://home.barclays/annualreport)

### Environmental and social credit risk management

The Group's approach to environmental credit risk management addresses risk under three categories, namely Direct risk and Indirect risk, as well as Reputation risk, on which more detail can be found on page 47.

**Direct risk** can arise when the Group takes commercial land as collateral. In many jurisdictions, enforcement of a commercial mortgage by the bank, leading to possession, potentially renders the Group liable for the costs of remediating a site if deemed by the regulator to be contaminated, including for pre-existing conditions. In the UK, the Group's approach requires commercial land, if being pledged as collateral, to be subject to a screening mechanism. Where required, further assessment of the commercial history of a piece of land and its potential for environmental contamination helps ensure any potential environmental degradation is reflected in the value ascribed to that security. It also identifies potential liabilities which may be incurred by the Group, if realisation of the security were to become likely.

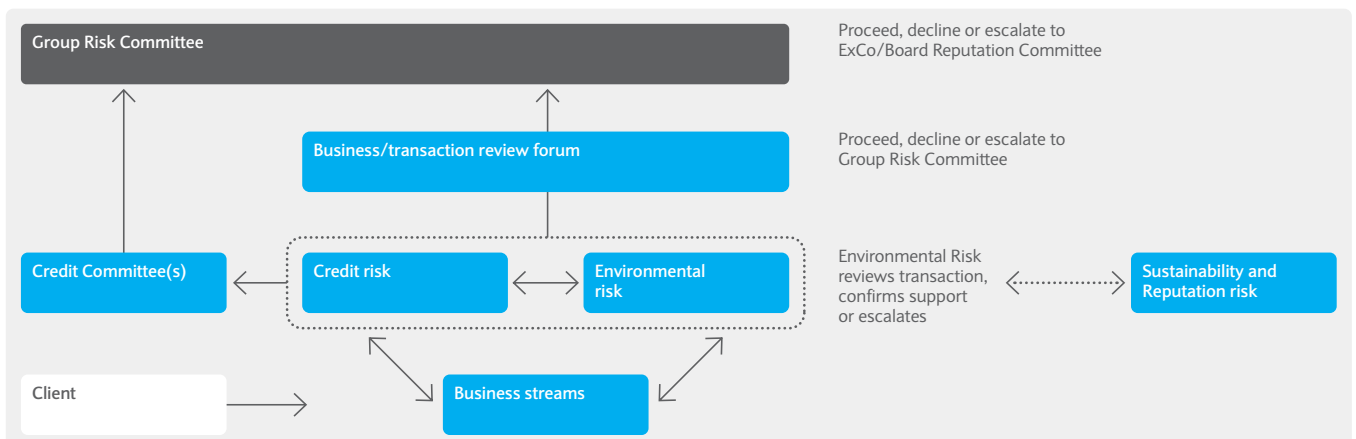
**Indirect risk** can arise when environmental issues may impact the creditworthiness of the borrower. For instance, incremental costs may be incurred in upgrading business' operations to meet emerging environmental regulations or tightening standards. In other circumstances, failure to meet those standards may lead to fines. Environmental impacts on businesses may also include shifts in the market demand for goods or services generated by our customers, or changing supply chain pressures. Environmental considerations affecting our clients can be varied. The bank has developed a series of environmental risk briefing notes, covering ten broad industry headings ranging from agriculture and fisheries to oil and gas, from mining and metals to utilities and waste management. These briefing notes are available to colleagues in business development and credit risk functions across the organisation, outlining the nature of environmental and social risks of which to be aware, as well as the factors which mitigate those risks.

### Policies with specific environmental and social components applied to business lines

Environmental risk is recognised as a mainstream credit risk issue and the Group has a dedicated Environmental Risk Management (ERM) team, as part of the central Credit Risk Management function. Environmental issues are considered in credit risk assessment, and environmental risk standards are included in the Wholesale Credit Risk Control Framework.

Transactions are referred to the ERM team by business teams or Credit Risk teams. ERM reviews environmental and social impacts associated with transactions and advises on how to manage relevant environmental and social risks. High-risk transactions are escalated to the transaction review forum within relevant businesses.

## Environmental and social risk assessment embedded in credit process





## Specific Standard Disclosures

# Product responsibility

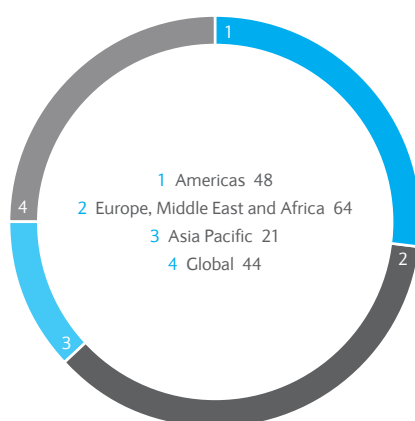
Our Environmental Risk Standard [barclays.com/citizenship/our-approach/policy-positions.html](http://barclays.com/citizenship/our-approach/policy-positions.html) applies to project related finance proposals for assets that may give rise to environmental or social risks. It is also the mechanism through which we apply the Equator Principles. These principles are an internationally recognised framework for environmental and social risk due diligence in project-related finance. Barclays was one of four banks to collaborate in developing the principles ahead of their launch in 2003. Today there are 92 financial institutions worldwide that have adopted the Equator Principles (see [equator-principles.com](http://equator-principles.com)).

During the year, 180 transactions (2016<sup>a</sup>: 410) were reviewed, of which three were subject to scrutiny against the Equator Principles' due diligence framework. Rigorous adherence to the provisions of the Equator Principles ensures that Barclays would only proceed with such transactions if potentially adverse environmental and social impacts are appropriately mitigated.

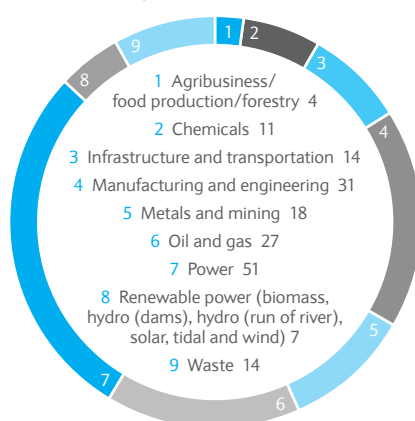
### Project Finance screened in line with Equator Principles

Sector	Category		
	A <sup>b</sup>	B <sup>c</sup>	C <sup>d</sup>
Mining			
Infrastructure			
Oil & Gas			
Power			1
Others			
Region	A	B	C
Americas			
Europe, Middle East & Africa			1
Asia Pacific			
Country Designation	A	B	C
Designated			1
Non-Designated			
Independent Review	A	B	C
Yes			1
No			
<b>Project Finance Subtotals</b>			<b>1</b>
Project-related Corporate Loans	1	1	
Project Finance Advisory Services <sup>e</sup>			
<b>Totals</b>	<b>1</b>	<b>1</b>	<b>1</b>

### Other transactions Transactions by region



### Transactions by sector



Following the first full year of implementation of Barclays Coal Risk Appetite introduced in July 2016, the Coal Risk Appetite underwent annual review and a requirement to understand the extent to which clients' strategies are aligned with Nationally Determined Contributions supporting the Paris Agreement was added to the list of due diligence questions. Barclays continues to reduce credit exposure to the thermal coal sector globally over the medium term, with transactions continuing to be subject to enhanced due diligence and escalation for senior management decision.

In addition, Barclays has no appetite for project financing to support the construction of new coal-fired power stations in developed economies.

Reflecting the diversity of our business, mitigating circumstances to the overall appetite direction may include, in developing economies, the support of critical power sources or where coal-fired power using cleaner technology is part of a nationally determined plan to transition to a low carbon economy.

In reference to emerging climate change risks, including deforestation, Barclays is an adopter of the Banking Environment Initiative's, 'Soft Commodities' Compact. The initial focus is on the palm oil sector, and in this context, in 2017, the team supported the establishment of the enhanced due diligence for palm oil clients, including incorporation of the 'Haze Diagnostics' screening requirements of the Association of Banks in Singapore, and increased emphasis on the provisions of the Roundtable on Sustainable Palm Oil (RSPO) into Know Your Client (KYC) assessments.

**Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions**  
Our Environmental Risk Standard is supported by a toolkit for employees comprising a range of practical guidance documents. These include a detailed process guide, a screening tool, guidance for engaging consultants for environmental assessments and sample clauses for loan documentation.

#### Notes

- a Please note that 2016 data included Barclays Africa Group Limited (BAGL) transactions.  
 b Category A – Projects with potential significant adverse social or environmental impacts which are diverse, irreversible or unprecedented.  
 c Category B – Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.  
 d Category C – Projects with minimal or no social or environmental impacts.  
 e Initial categorisation due to early stage of transaction.



We also have detailed guidance notes for sectors where environmental and social risks are common, see [home.barclays.com/citizenship/our-approach/environmental-risk-in-lending.html](http://home.barclays.com/citizenship/our-approach/environmental-risk-in-lending.html). If transactions are escalated for further consideration at a more senior level, we will, where applicable, work with the company to mitigate the risks causing concern, build environmental management requirements into loan documentation, or if appropriate action is not taken or the risks are deemed too high, we may decline support for the finance application.

**Process(es) for improving staff competency to implement the environmental and social standards and procedures as applied to business lines**

In addition to the guidance documents mentioned above, we have provided bespoke training to a number of credit risk managers across Barclays on environmental and social risk assessments relevant to their respective markets, reinforcing awareness of when to refer specific transactions to the specialist ERM team.

**Interactions with clients/investees/ business partners regarding environmental and social risks and opportunities**

If potential risks associated with a particular transaction/client are highlighted through the ERM process, our ERM team may, in some circumstances, engage with the company to discuss mitigation options, where necessary build environmental management requirements into loan conditions, or if appropriate action is not taken or the risks are deemed too high, we may decline support for the finance application. On our website we provide specific examples of how our policy has made a difference: [home.barclays.com/citizenship/our-approach/environmental-risk-in-lending.html](http://home.barclays.com/citizenship/our-approach/environmental-risk-in-lending.html)

**Managing reputation risk**

The Reputation Risk Framework sets out what is required to ensure reputation risk is managed effectively and consistently across Barclays. It helps to ensure that we: protect both our franchise and brand; meet strengthening regulatory requirements in this area; and fulfil our aspiration to be a responsible corporate citizen.

The Framework and its related policies outline requirements of businesses and functions in establishing systems and procedures for identifying and mitigating reputation risk – which can arise from any decision, action or inaction which is perceived by stakeholders as controversial, unethical or is in breach of a law, regulation or policy.

The Framework supports, and is applied in the context of, decision-making tools such as the Barclays Lens and the Barclays Way Code of Conduct which articulates the purpose, values and behaviours to which all employees must adhere and which are relevant to all our business processes, practices and decisions.

The central Reputation Management team within Corporate Relations provides advice and guidance on implementation of the Framework and its associated reporting. This team handles: day-to-day referrals from the business on reputation risks; participates in business level committee discussions on more material risks; advises on escalation of risks to the Group Risk Committee or Board Reputation Committee (the highest governance body) where required; collates quarterly business and function reports on their reputation risk priorities; and engages with NGOs and other stakeholder groups regarding Barclays position on potentially sensitive or controversial issues. The team receives referrals from businesses and functions from all regions of operation on any matters that may incur material reputation risk, including economic, environmental and social topics. The majority of queries relate to client relationships and transactions and are raised by KYC and relationship teams, credit risk, financial crime, sanctions and legal teams. However, a small number involve other areas e.g. supplier or employee issues, new or existing products and services.

In providing advice, the team consults a broad range of subject matter experts and resources and builds consensus on the best way forward. It also participates in transaction review and business unit reputation committee discussions where required. In 2017, the central Reputation Management team received 581 referrals from across the businesses (625 referrals in 2016) for consideration. These referrals covered a variety of sectors including, but not limited to, defence, fossil fuels and mining.

**Product and service labelling**

Indicator requirement	Status
<b>G4-PR5</b> Results of surveys measuring customer satisfaction.	●
<b>Disclosure</b> Please see page 26 for information on Net Promoter Scores.	
See the Customer and Client performance sections and the business unit pages in the Strategic Report for further detail on client share and market rankings.	

Context and approach

Shared growth ambition

General Standard Disclosures

Specific Standard Disclosures

KPMG Assurance Statement



## Specific Standard Disclosures

# Product responsibility

### Customer privacy

Indicator requirement	Status
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<b>G4-PR8</b> Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	
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**Disclosure**  
Protecting personal data is a matter that Barclays takes extremely seriously. We have robust controls in place to protect the personal data that we use in the course of our business activities and handle privacy complaints in line with our complaints handling procedures.

Barclays works with privacy regulators globally to ensure we meet relevant legal and regulatory requirements and we continually review our procedures to ensure that they comply with international privacy laws. We conduct both external and internal campaigns about fraud and cybercrime, raising awareness among customers, clients and employees of the ongoing threat and working collectively to minimise data loss.

### Compliance

Indicator requirement	Status
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<b>G4-PR9</b> Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	
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**Disclosure**  
Please see Note 29 to the financial statements contained in our Annual Report 2017 which outlines our legal, competition and regulatory matters.

### Product portfolio<sup>a</sup>

Indicator requirement	Status
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<b>FS7<sup>a</sup></b> Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	
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**Omissions**  
Initiatives reported represent a selection of examples.

Barclays UK	Barclays International
<b>Personal Banking</b> <ul style="list-style-type: none"> <li>Basic bank accounts</li> <li>Family Springboard Mortgage</li> <li>Home Pathway Insurance</li> <li>Barclays Financial Wings and Barclays Digital Wings education platforms</li> </ul>	Corporate and Investment Bank supports the following sectors: <ul style="list-style-type: none"> <li>social housing and infrastructure</li> <li>education</li> <li>supranational and national development finance institutions</li> <li>US municipalities including healthcare and education</li> </ul>
<b>UK Cards</b> <ul style="list-style-type: none"> <li>Barclaycard Initial</li> <li>Money Worries Hub</li> </ul>	<b>Consumer, Cards and Payments</b> <ul style="list-style-type: none"> <li>Barclaycard Anywhere, Bpay</li> <li>FICO® service in the US</li> <li>Charity contactless</li> </ul>
<b>Wealth and Investment Management</b> <ul style="list-style-type: none"> <li>Charity Fund Management</li> <li>Impact Investing</li> </ul>	

#### Barclays UK

##### Basic bank account

In December 2015, we launched our new Basic Current Account which meets HM Treasury's Memorandum of Understanding (MoU) on basic bank accounts. These financial inclusion accounts are available to anyone who does not already have a bank account or who is not eligible for a standard account. They provide over-the-counter services, access to the ATM network and digital banking. They also offer free text alerts to help customers manage their money and stay in control of their finances. There were more than 674,000 Barclays Basic Current Accounts open at the end of 2017.

##### Family Springboard Mortgage

At Barclays, we know how important it is for people to buy their own home. We have many products and policies in place which enable this. In 2017, we have helped over 18,500 first-time buyers onto the ladder and significantly more to move upwards. To support all of this we launched the Family Springboard Mortgage in January 2013, responding to the significant burden high deposits placed on first-time buyers and their parents.

The Family Springboard Mortgage allows home buyers to secure a mortgage with the help from family or friends (helper), while allowing the helper to earn interest at the same time. It is available for first-time buyers and home movers, moving up the property ladder, for loans of up to £450,000.

The borrower takes out the mortgage, while the helper puts 10% of the purchase price into a Helpful Start Account – earning an attractive rate of interest. As long as the borrower keeps up their repayments, the helper gets their money back with interest (Bank of England base rate + 1.5%).

In May 2016, we removed the requirement for first-time buyers and home movers to provide a 5% deposit. This means that buyers can now select either a 95% or 100% Loan to Value Family Springboard Mortgage with Barclays, making it even easier for people to get onto or move up the property ladder.

Note  
a Financial Services Sector Disclosures document

### Financial health

We recognise that having access to suitable banking products is essential to participation in modern life and are proud to have a long history as a leading bank on financial inclusion.

Access to a transactional bank account enables consumers to benefit from bill reductions paid by direct debit and access to cheaper goods and services on the internet, which goes some way towards alleviating the poverty premium. Our market-leading basic bank account (Cash Card Account since 2000, replaced in November 2015 with our Basic Current Account) is a fee-free account, available to customers who have experienced serious financial difficulty or are currently unbanked in the UK.

But financial inclusion doesn't stop with a transactional bank account. Appropriate, simple savings, credit card and insurance products are also essential to financial resilience, and we have worked hard over the last few years to deliver award-winning products in this space too.

- **Simple savings product and Savings Goals tool** – Fairbanking accreditation.
- Our **Home Pathway** modularised insurance product allows customers to select and pay for only those elements of cover they need. This includes a 'Starter Contents Cover' module for those requiring a lower level of cover (£2,000 to £15,000) than a standard contents policy.
- **Barclaycard Initial** – Our credit card designed for people looking for their first credit card or who have a limited credit history, that, if properly managed could help people gradually build their credit rating (see page 14).

Looking to build on the success of the Barclaycard Money Worries Hub, a digital tool to support customers when they find themselves in difficult circumstances, a similar tool was launched on Barclays online platform in September 2017. Based on new research on the financially vulnerable the aim is to improve information, guidance and support for customers in our digital channel and provide clearer pathways to action based on their circumstances. Case studies were created to address self-employed customers who may operate as a sole trader or a contractor basis with irregular income and customers who are using credit regularly to cover everyday living expenses. These case studies help customers relate to situations they may be facing and demonstrate how the bank can support them when they need it most. This has helped make more relevant our support on financial difficulty and provide referrals to specialist services such as Business Debtline.

We are working with the free debt advice sector to ensure our referrals are effective, to drive better customer journeys and outcomes. We have put in place referrals to specialist advice providers for customers with arrears, for example, piloted help with Shelter (see page 15 for a case study) if they are a homeowner. We are at present, reviewing our overall referral strategy, facilitating collaborative working with the main free debt advice charities and working with the Money Advice Service to pilot a single point of entry into the sector to improve the match of service to customer.

**Barclays Financial Wings** was launched in June 2016. It is an educational online tool which builds the financial knowledge and confidence of customers, colleagues and all financial service consumers. It provides access to industry-leading information and guidance, partnered with interactive content. This dual approach allows users to both learn, and apply their learning, in a safe environment. We already have over 10,000 users on Barclays Financial Wings.

**Barclays Community Wings** (formerly the Community Driving Licence) was launched in January 2014. It is an interactive learning tool that enables colleagues to live in our customers' world, providing colleagues with insight, skills and tools to better serve our customers, strengthen their relationships within their local communities. We have over 24,000 colleagues using Barclays Community Wings and launched new content this year on customer vulnerability and empathy, fraud, scams and coercion, stroke awareness and understanding sight loss.

**Debit card hub** – Barclays is always looking for new ways to help customers stay in control of their money. With this in mind, customers can set a range of preferences on their debit card. These provide options for customers like switching off the ability for their card to be used when they are not present, such as over the internet, mail order or via telephone. Customers can also increase or decrease the amount they can take out of a cash machine, giving them more flexibility and temporarily freeze their card if they think it has been lost. These new services are available to customers through their channel of choice, including Barclays Mobile Banking, as well as in branch and on the phone. Any changes customers make will take effect immediately and can be reversed at any time.



## Specific Standard Disclosures

# Product responsibility

### Product portfolio<sup>a</sup>

#### Digital Skills

In an increasingly digital world, digital exclusion risks becoming a new cause of financial exclusion. Barclays is on a mission to help customers and non-customers to embrace the new digital revolution – whatever their age. We will leave no one behind. We will do this through the personal support and education we provide to customers and non-customers through our Barclays Digital Eagles programme.

Launched in April 2013 with 18 employees, we have now rolled out 18,500 Barclays Digital Eagles across the UK. These are specially trained members of staff on hand in all Barclays branches to provide free technology advice to both customers and non-customers.

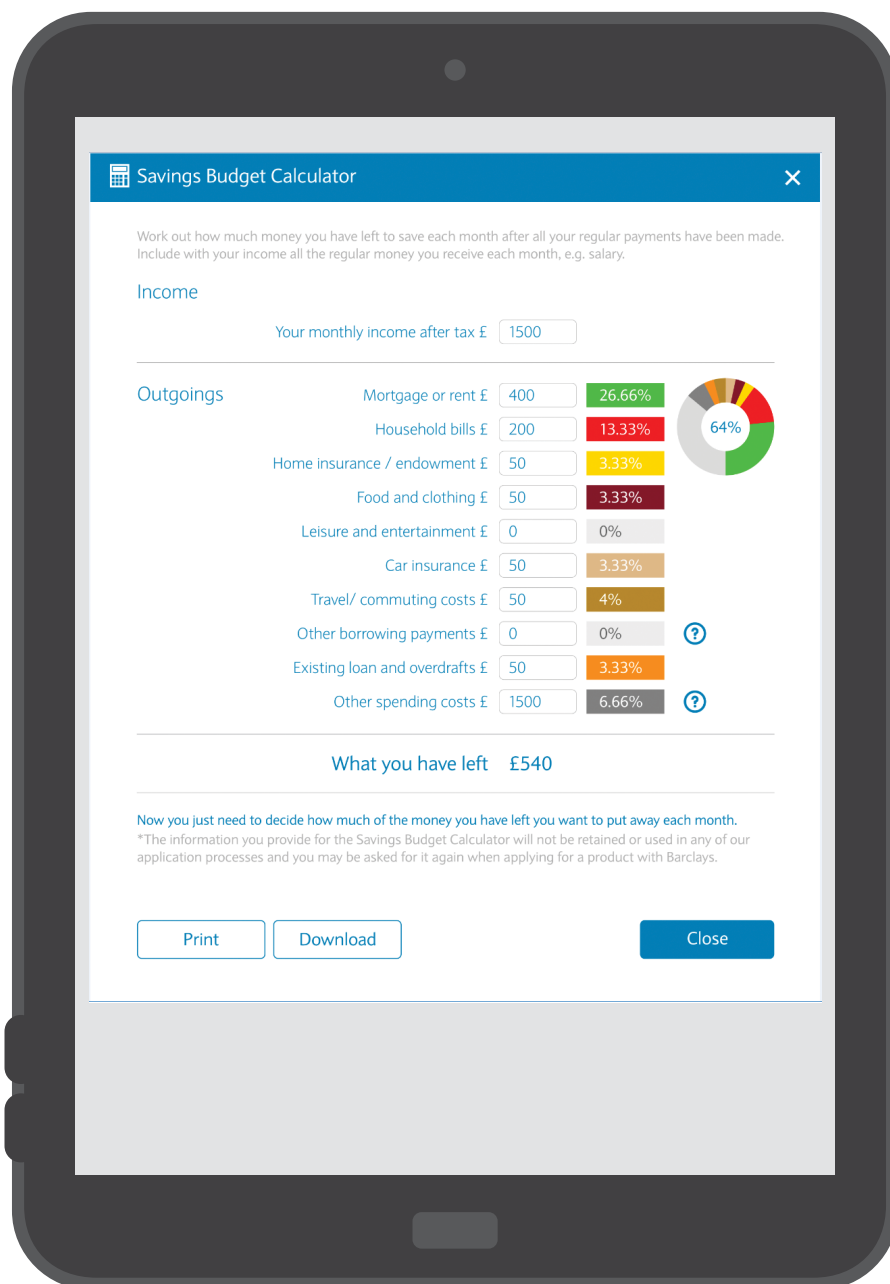
In 2017, this network helped people become empowered to operate in the digital economy, reduce exclusion and enhance access to a range of digital tools and services. We also created a campaign to ensure we helped bridge the digital safety gap and keep people safe online. In addition, we have also provided digital skills and online safety training through the Barclays online learning platform.

Our branches run ‘tea and teach’ sessions hosted by Barclays Digital Eagles. These are free and an opportunity for people to build confidence in digital skills – not just around banking and managing finances but staying in touch with people or catching up on TV online. Barclays Digital Eagles have carried out more than 8,500 ‘Tea and Teach’ sessions to date, with over 107,000 participants.

#### Eagle Labs

Eagle Labs help to drive local economic growth by providing space for clients to create, innovate and grow. There are 14 labs across the UK, providing support for high-potential and high-growth businesses that are starting and scaling-up through access to creative office space, prototyping facilities, expert networks and learning opportunities. A community resource available for everybody, Eagle Labs are giving access to the skills and training needed to thrive.

2017 saw the Eagle Lab network grow in terms of scale and impact, with over 1,000 entrepreneurs now basing themselves out of Eagle Labs. Throughout the year five new Labs opened, including those in Cardiff, Edinburgh and Belfast and over 100,000 individuals were supported through our Lab activity.



Note  
a Financial Services Sector Disclosures document

### Barclays Digital Wings

Barclays Digital Wings is an online tool available to anyone to use to help build their knowledge and confidence in the digital world. Partnering with technology experts, Barclays Digital Wings offers a suite of written modules covering all aspects of digital skills. In 2017, we delivered two brand new modules including 'Open Banking API's' and 'How to innovate like a start-up' sponsored by Reuters. We also did a full review of all existing modules including keeping them relevant and enhancing the experience through interactive elements.

### Supporting vulnerable customers

Supporting customers in vulnerable circumstances and ensuring products and services are accessible to all has remained a focus in 2017. Notable developments include launching new ways for customers to access their accounts, a multimillion pound digital safety campaign and new and expanded financial health tools.

### Savings Goals

Barclays Finance Manager is a suite of tools that help online customers to manage their financial well-being. The Spending Pattern tool graphically represents transaction categories like: rent/mortgage, travel, food, diy etc. The Income and Outgoings tool enables custom categorisation of transactions and rule setting to capture all future transactions. Budget Goals can be set up showing monthly spend progress with warnings for overspending.

Last year we launched a new online Savings Goals tool available through Barclays Finance Manager. This new online banking tool aims to support customers in setting and reaching their savings goals. Whether saving for something in particular, or just for a rainy day, we know that having something clear to work towards makes it easier to achieve. Customers can set up and personalise their savings goals online in three easy steps and track progress whenever they log into Online Banking. It was awarded a 4\* rating by Fairbanking last year and early indication shows that Home, Holiday and Rainy Day are the most popular goals.

### Home pathway

Through Barclays Home Insurance, customers only pay to cover what they want. Instead of one-size-fits-all policies, we provide customers with the opportunity to create their own, picking the cover they need rather than paying for cover they don't. So whether a customer is simply looking to cover a new mountain bike, or want cover for their whole house and its contents, our policies are designed to grow with them and their needs and circumstances.

We do not charge administration fees if a customer's circumstances change and they need to amend or cancel their cover and, unlike other insurance policies, a claim on one type of cover will not affect the premium on another when it comes to renewal.

### Charity funds

The Barclays Charity Fund was launched on 16 September 2013. It is designed to give the 'best of Barclays' investment thinking to UK registered charities. The fund returned 11.7% in 2017 and has grown 39.5% since inception, easily meeting its dual investment objectives of providing an income of 3.5% and inflation protection. It has also consistently surpassed its benchmark and peers. The fund diversifies risk by investing over a total of nine asset classes and combines negative and positive screening tools with impact investing. Practically, this means we have excluded direct investment in certain UK equities such as tobacco production and arms. We have also invested in a Global Impact fund and in green bonds. Third-party funds are used where they demonstrably improve the investment outcome, after fees, and our preference is to select funds with the highest ESG ratings. We firmly believe that this responsible approach to investment adds significant value to the investment process.

### Barclays International Barclaycard Anywhere

Barclaycard Anywhere is a mobile point-of-sale solution that was created in response to a gap in the market for card acceptance in the small business customer segment. The cost effectiveness of utilising customers' mobile technology means that the proposition appeals to a broad range of customers who previously would not have entered the market, particularly start-ups and micro-businesses who can now offer card acceptance to their customers on a pay-as-you-go basis without committing to fixed monthly terminal fees. Barclaycard research shows that 32% of people would consider walking away from a purchase if they could not pay by card – and 24% have done so in the past year. Small businesses are the lifeblood of the UK economy and Barclaycard Anywhere epitomises the fundamental role that Barclaycard plays in supporting and enabling small business growth. Barclaycard Anywhere has supported 18,000 customers to take card payments since launch in 2014.

A new Bluetooth and contactless solution was launched in 2016. This was complemented with a revised proposition launched across the business in 2017. Both initiatives help improve usage of the service. Furthermore, a new and improved online application form was launched in 2017 making it easier for customers to apply for the Barclaycard Anywhere service.

### Charity contactless

In 2017, Barclaycard worked with a range of partners including Visa and the Charities Aid Foundation to trial an innovative approach to accepting contactless donations as an alternative to cash. A Barclaycard survey highlighted that 4 in 10 citizens say they carry less cash now than they did three years ago, and 1 in 10 admit to walking away from a donation opportunity at least once last year because they were unable to give using a debit or credit card.



## Specific Standard Disclosures

# Product responsibility

### Product portfolio<sup>a</sup>

Following trials with a number of charities in 2017, the project was honoured to be recognised with a Payments Award for the ‘best contactless payments project’. The team are working hard to deliver the open market solution in early 2018 as a keen pipeline of interest has been building up.

As part of the product delivery process for the ‘attended’ solution Barclaycard is also starting to explore options for an ‘unattended’ solution as a number of charities and non-profit organisations have expressed a keen interest in replacing cash with card acceptance technology at entrance and exit points of their premises and attractions.

#### Money Worries Hub

Financial worries are the biggest single cause of stress among UK adults and very often people do not know where to turn for help and advice. As the largest issuer of credit cards in the UK, Barclaycard launched Money Worries Hub in 2015, a digital tool to support customers when they find themselves in difficult circumstances. The tool, which is available online uses life-like case studies of financially challenging events such as job loss, relationship changes and medical conditions. These case studies help customers relate to situations they may be facing and demonstrate how Barclaycard can support them when they need it most.

#### Barclays Collect

Barclays Collect is a pay-as-you-go collection service where cash and cheques are collected directly from businesses. This weekday service removes the time and safety risks of travelling to a branch and deposits are processed the next working day. There are no collection fees for collections with a cash value of over £5,000.

#### SmartBusiness Dashboard

SmartBusiness Dashboard gives our business customers an up to date picture of their business activity including overall profits, outstanding invoices, sales levels and website traffic. It’s powered by data from their bank accounts and the business apps they already use. Dashboard simplifies day-to-day admin for business customers by providing the information that’s important to them in one place.

#### Barclays Corporate and Investment Bank

Barclays offers financing solutions for a number of businesses and governments that generate positive social outcomes, including supranational agencies, municipalities, healthcare systems, universities, social housing authorities, and other not-for-profit organisations.

#### Investment banking and capital markets

**Public sector** Barclays is a top three financier of capital for supranationals, sovereign and agency institutions (source: Dealogic), enabling the funding of critical infrastructure and helping to promote global economic growth and stability.

**Debt Capital Markets** Barclays is top bookrunner in investment grade debt, helping corporations across sectors raise capital in different currencies around the world, supporting growth and investment objectives.

**Private Capital Markets** Barclays Private Capital Markets engages with companies across all industries including in the sustainability, renewable and green space to help raise private financing across the capital structure.

**Municipal Finance** Barclays provides financing solutions to US states and large local governments and associated agencies, as well as not-for-profit institutions.


**Investment products** Barclays also offers two investment products in the socially-responsible investment space: the Women in Leadership Index and Exchange Traded Note (ETNs) and the Return on Disability ETN, both listed on the NYSE Arca Exchange. The Women in Leadership ETN tracks the Barclays Women in Leadership Total Return USD Index and is designed to provide investors with exposure to US companies with gender-diverse executive leadership and governance. The Return on Disability ETNs are linked to the performance of a US Large Cap index developed in conjunction with The Donovan Group LLC and is designed to provide investors with exposure to US-based companies that have acted to attract and serve people with disabilities as customers and employees.

#### Corporate Banking

**Social housing** Barclays has been an active supporter of the social housing sector for 25 years. Our relationships are led through Relationship Directors across the UK where our industry knowledge allows us to deliver financing solutions to our clients across bank and capital market funding to help with the delivery of new affordable housing.

Note

a Financial Services Sector Disclosures document

Indicator requirement	Status
<b>FS8<sup>a</sup></b> Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	
Omissions Initiatives reported represent a selection of examples.	

### Barclays Corporate and Investment Bank


Banks are uniquely positioned to facilitate the flow of capital towards environmentally and socially beneficial activity. A range of business lines are actively involved in delivering solutions across product groups, geographies and industry sectors. Barclays supports renewable energy sector coverage offering strategic advice to and facilitating access to finance globally in wind, solar, geothermal, waste and hydro.

#### Investment banking and capital markets

<b>Advisory services</b>	We have a leading M&A practice and offer a range of other advisory, risk management and financing services.
<b>Equity products</b>	The Equity Capital Markets business in the renewables and clean technology sectors manages initial public offerings (IPOs), follow on offerings and equity-linked transactions.
<b>Fixed income products</b>	The Debt Capital Markets and Municipal Finance businesses are active in advising and underwriting both themes and labelled green bond, as well as unlabelled debt issuance for a range of clients including municipalities, corporations, financial Institutions and supranational organisations. The franchise is active globally with recent client activity across regions, formats and issuer types.

#### Corporate banking and debt finance products

<b>Structured and project finance</b>	The Infrastructure and Project Finance team in the Corporate Bank originates and executes senior debt transactions in the UK and Ireland for infrastructure projects, including renewable energy assets and other energy-related projects.
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 See the Access to financing section on pages 7 to 11 for further information on financing activity in 2017 including volumes and select transactions.

### Corporate Banking green product suite

Recognising the need to support companies of all sizes and across a breadth of sectors to fulfil their green ambitions, Barclays Corporate Bank launched a range of products in December 2017. Further detail on the products, key features and client benefits are outlined in the table below with links to more detailed information online.

#### Corporate Bank Green Products Overview

<b>Green Innovation Finance</b> May 2017	<p>We have signed up to the EIF InnovFin SME Guarantee to support our Innovation Finance, backed by the European Investment Fund, it offers financing to support high-growth and innovative companies. Green Innovation Finance can be used to support 'eco-innovation' activities, which align with the Barclays Green Product Framework, and eligibility criteria under the product.</p> <p>Innovation Finance is supported by the InnovFin SME Guarantee Facility, with the financial backing of the European Union under Horizon 2020 Financial Instruments. This enables Barclays to offer term loans and revolving credit facilities, subject to availability and eligibility, to SME and small mid-cap businesses at a competitive price.</p> <p><b>Features:</b></p> <ul style="list-style-type: none"> <li>■ Available to SME and mid-cap UK clients</li> <li>■ Term Loan (fixed or floating) or revolving credit structures</li> <li>■ Financing available from £100,000 to £5,000,000</li> <li>■ Financing available to support a wide range of eco-innovation projects.</li> </ul>
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 [barclayscorporate.com/products-and-solutions/financing/corporate-lending/innovation\\_finance.html](https://barclayscorporate.com/products-and-solutions/financing/corporate-lending/innovation_finance.html)

Note  
a Financial Services Sector Disclosures document



## Specific Standard Disclosures


# Product responsibility

### Product portfolio<sup>a</sup>

Barclays worked with Sustainalytics, a global provider of environmental, social and corporate governance research and ratings to develop the Barclays Green Product Framework. We use the Framework to identify appropriate projects that will have a positive environmental impact and will therefore qualify for support through one of the new products.

Qualifying environmental themes and activities, as defined in the Green Product Framework include:

- projects focused on energy efficiency
- renewable energy
- green transport
- sustainable food, agriculture and forestry
- waste management
- sustainable water
- cross-sector activities including carbon energy financing and activities to do with policies, regulations and training associated with Green activities.

 The framework is available online at [home.barclays/citizenship/access-to-financing/green-products.html](http://home.barclays/citizenship/access-to-financing/green-products.html)

#### Green Loans December 2017

The Green Loan is a term lending facility where proceeds of the loan are used exclusively for eligible Green projects as defined by the Barclays Green Product Framework.

##### Features:

- Available to Corporate Banking Barclays clients (UK and International)
- Term Loan (fixed or floating) or Property Development Loan structures
- Financing available from £3,000,000
- Financing available to support a wide range of projects in pursuit of the transition to a lower carbon economy, in accordance with Barclays Green Product Framework.



[barclayscorporate.com/products-and-solutions/financing/corporate-lending/green-loans.html](http://barclayscorporate.com/products-and-solutions/financing/corporate-lending/green-loans.html)

#### Green Asset Finance December 2017

Green Asset Finance allows clients to access more flexible ways of financing a variety of Green Assets through lease purchase, finance and operating leases. Qualifying Green Assets are defined by the Barclays Green Product Framework.

##### Features:

- Available to UK clients
- Available through lease purchase, finance and operating lease structures
- Qualifying Green Assets cover a variety of thematic projects including energy efficiency, renewable energy, green transport, sustainable food, agriculture and forestry, waste management and greenhouse gas emission reduction.



[barclayscorporate.com/products-and-solutions/financing/asset-finance.html](http://barclayscorporate.com/products-and-solutions/financing/asset-finance.html)

#### Green Corporate Deposits December 2017

Green Deposits, based on a 95-day notice period, provide the client with comfort that the balances held within the account are being earmarked against Barclays' Green Assets.

The Green Deposits are linked to Green Bonds that Barclays purchase through our central Treasury team. The Green Bonds, which the deposits will be earmarked against, cover a variety of thematic projects in pursuit of the transition to a lower carbon economy.

##### Features:

- Available in the UK for Global Transaction Banking clients
- Allows for GBP and USD balances
- Available with a 95-day notice period.



[newsroom.barclays.com/r/3559/barclays\\_launches\\_pioneering\\_range\\_of\\_green\\_corporate](http://newsroom.barclays.com/r/3559/barclays_launches_pioneering_range_of_green_corporate)




**Local communities**

Indicator requirement	Status
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<b>FS13<sup>a</sup></b> Access points in low-populated or economically disadvantaged areas by type.	
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Omissions

 Initiatives reported represent a selection of examples


Disclosure

**Personal Banking**  
In the UK, we have analysed economic disadvantage/low population density using Local Authority (LA) boundaries – these divide the United Kingdom into 377 zones. We have used a combination of data sourced from [poverty.org.uk](http://poverty.org.uk) (e.g. benefits claimed, pension credits, unemployment, low wages) together with populations drawn from the 2011 UK Census to identify 65 LAs that might be described as areas under economic stress. 212 of our branches (18%) are present in these areas, a number which has reduced by 17 in 2017 (18% of closures). 22% of our remote ATM estate is present in these LAs. By way of comparison 20% of our competitors’ branches are present in these LAs. Our low historic branch presence in Scotland impacts the comparisons, with Scotland having many of the lowest density LAs.


Our reach into these areas of economic stress is unchanged, remaining at 18% as it was at the end of 2016.

During 2017, we took the decision to close a number of branches. With customers visiting our branches less and less each year, we must constantly assess how and why our branches are used and make decisions based on these insights. Where we have taken the difficult decision to close a branch, we work closely with the local community to understand their needs and whether there is an alternative solution we can provide. These solutions will be specific to each area but may include arrangements with the nearest Post Office or pop-up branches, as well as Barclays Collect for businesses, Video Banking, fully automated facilities or ATMs. We also work closely with customers in communities across the UK to help them access and feel confident in using our digital services through our team of Barclays Digital Eagles.

Indicator requirement	Status
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<b>FS14<sup>a</sup></b> Initiatives to improve access to financial services for disadvantaged people.	
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Omissions

 Initiatives reported represent a selection of examples

Disclosure

**Fraud and scams**  
Barclays is committed to protecting our customers and has invested significantly in anti-fraud and anti-scam initiatives. As part of this, we have worked hard to educate not just Barclays customers but consumers more generally about how they can keep themselves safe.

In 2017, Barclays launched a comprehensive range of activities to prevent fraud and scams including new tools, education material, enhancements to products and services and a nationwide Digital Safety advertising campaign. These include an online fraud intervention service which asks customers questions designed to identify payment requests that are not genuine, the ability for customers to set their own daily withdrawal limits on their Barclays Mobile Banking app and debit card controls now have an option to instantly enable or disable cards for remote purchases.


Barclays also has over 18,500 Barclays Digital Eagles in our branches and communities who are there to help anyone, whether they are a Barclays customer or not, with information and guidance on staying safe online. In addition, all branch and telephony colleagues have received training on how to support customers concerned about fraud. Staff can engage directly with the police when they are concerned that the customer in front of them is a potential victim of a scam. Our 24,000 colleagues that use Barclays Community Wings, an interactive learning tool for colleagues, are able to access new content on Fraud Scams and Coercion launched in 2017.

**Accessibility services**  
In 2017, Barclays launched a new and redesigned large PINsentry card reader, an improved high-visibility debit card and Siri support on our app, which enables customers to make payments using their voice. This will help our older and disabled customers with easier access to our services and further protect them from fraud.

Note  
a Financial Services Sector Disclosures document

## People and training


Indicator requirement	Status
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**G4-DMA**  
Disclosures on management approach. 

Disclosure  
At Barclays, retaining, developing and attracting the best people is crucial to our long-term success. We do this through a variety of leadership development programmes and training, as well as focusing on the engagement of our people through locally led, line manager owned activities.


We measure our progress in all of these areas in our employee survey, which also feeds into a Culture Dashboard. In addition, we measure our people in our performance management and appraisal system – both on what they do, as well as how they do it. This ensures our colleagues are able to continually broaden their skills, emphasising their personal development and working in a way which mirrors our Values.

We operate in accordance with the Universal Declaration of Human Rights and take account of other internationally accepted human rights standards. We also promote human rights through our employment policies and practices, through our supply chain and through the responsible use of our products and services.

 Barclays Statement on Human Rights summarises our objectives and commitments in this area, see [home.barclays/citizenship/our-approach/policy-positions.html](http://home.barclays/citizenship/our-approach/policy-positions.html)

## Employment


Indicator requirement	Status
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**G4-LA1**  
Total number and rates of new employee hires and employee turnover by age group, gender and region. 

Disclosure  
In 2017: Group employee turnover was 14.0% (2016: 19.3%). Group voluntary attrition was 9.5% (2016: 11.1%)

All turnover and attrition metrics are based on a rolling 12 month basis: leavers for the 12 month period divided by average headcount for the same period. Turnover/attrition numbers are based on headcount and not FTE. All turnover/attrition numbers exclude Barclays Africa Group Limited (BAGL). Group employee turnover relates to all leavers. Voluntary attrition relates only to voluntary leavers.


Indicator requirement	Status
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**G4-LA2**  
Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation 

Disclosure  
Benefits provided to full-time employees are not always provided to part-time employees in all jurisdictions (i.e. a minimum level of scheduled hours applies to qualify for benefits in the US, in the UK core benefits are provided to all permanently employed colleagues). Benefits are not provided to temporary employees.

## Training and education

Indicator requirement	Status
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**G4-LA9**  
Report the average hours of training that the organisation's employees have undertaken during the reporting period, by gender and employee category. 

Disclosure  
We continue to make substantial investment in our people through training and development to support them to fulfil their ambitions for the future. We continue to provide programmes on specific, technical subjects such as LEAN and how to work in an 'Agile' way or understanding the financial markets, as well as training focused on personal development, such as presentation skills, influence and impact and management and leadership.

Throughout 2017, we have continued to target the way we deliver training so that only the people who really need certain training receive it and we have continued to focus on reducing unnecessary duplication in a number of mandatory training modules. Learning is increasingly being delivered through a blended approach using channels other than the Learning Management System (LMS) and is not recorded in the average hours of training per employee (see below). For this reason we are therefore seeing a continued reduction in training hours recorded via the LMS. This is in no way however a reflection of our ongoing commitment to developing our people.

### Average hours of training per year (2017) per employee<sup>a\*</sup>:

Split by gender:	
Female	14.12
Male	12.34
Split by employee category:	
Permanent	15.35
Other	8.84
Split by grade:	
BA1	13.71
BA2	16.37
BA3	19.10
BA4	14.26
AVP	13.26
VP	12.89
D	13.05
MD	10.75

Notes  
\* Following implementation of a new LMS on 1 January 2017, the calculation for average hours of training has changed and now reflects credit hours rather than actual time spent completing.  
<sup>a</sup> Numbers exclude colleagues from Barclays Africa Group Limited (BAGL).

### Diversity and equal opportunity

Indicator requirement	Status
<b>G4-LA12</b> Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.	●
Disclosure Diversity and inclusion data is included in the People section of the Annual Report on pages 89 to 92.	

### Equal remuneration for women and men

Indicator requirement	Status
<b>G4-LA13</b> Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	●
Disclosure Barclays response to the Gender Pay Gap Information Regulations is located in the People section of the Annual Report on pages 89 to 92.	

## Human rights

Indicator requirement	Status
<b>G4-DMA</b> Disclosures on management approach.	●
Disclosure At Barclays, we operate in accordance with the International Bill of Human Rights, and take account of other internationally accepted human rights standards, including the UN Guiding Principles on Business and Human Rights. We respect and promote human rights through our employment policies and practices, through our supply chain screening and engagement and through the responsible provision of our products and services. Barclays Statement on Human Rights summarises our objectives and commitments in this area and is reviewed periodically.	

 [home.barclays.com/citizenship/our-approach/policy-positions.html](https://home.barclays.com/citizenship/our-approach/policy-positions.html)

We provide internal guidance for lending and relationship managers on how to integrate human rights issues into their assessment of financial transactions and business relationships. Using the online human rights guidance tool ([unepfi.org/humanrightstoolkit](https://unepfi.org/humanrightstoolkit)) which we helped to develop in conjunction with other financial institutions participating in the UNEP FI social issues advisory group, we provide guidance on: identifying potential human rights risk in lending and investing; assessing the materiality of the risk; and identifying possible risk mitigation opportunities.

We have general customer due diligence processes in place to help combat the risk of customers being associated with human rights. Our KYC, Credit and Financial Crime teams review both new and existing customers by monitoring relationships for areas of risk or concern and by conducting media screenings for any adverse reports. Our policy is to escalate any cases which give us cause for concern from a human rights perspective, leading to further investigation by the Reputation Risk team. In relation to modern slavery, our Financial Intelligence Unit has developed typologies which are applied to retail customer accounts to identify account activities that could indicate sexual exploitation. More information is contained within our 2017 Modern Slavery Statement.

Our Environmental Risk standard applies to project-related finance proposals that may give rise to environmental or social risks. It is also the mechanism through which we aim to apply the Equator Principles. These principles are an internationally recognised framework for environmental and social risk due diligence, which utilise the International Finance Corporations' Performance Standards on issues including human rights.

In line with the UK Modern Slavery Act's requirements, we have published our 2017 Modern Slavery Statement, which outlines how we are minimising the risk of modern slavery and human trafficking in our operations, supply chain and the steps we are taking within our client and customer base. This is available at [home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017.pdf](https://home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017.pdf)

### Investment

Indicator requirement	Status
<b>G4-HR1</b> Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	◐

Disclosure  
 Evaluation of human rights and social aspects is integrated into our product development, assessment of business relationships and transaction review. New financial products and services developed should be consistent with Barclays' human rights aspirations and any risks or opportunities in this area should be evaluated.


Human rights is incorporated into our client and customer due diligence processes (see above information under the DMA section). We have a suite of tools, policies and statements that guide colleagues on how to manage human rights related impacts and risks. Our Code of Conduct 'The Barclays Way' outlines how we expect our colleagues to behave and the required standards of working. It makes specific reference to human rights and covers a number of issues relevant to client review.

The Barclays Statement on Human Rights aims to achieve a consistent and comprehensive approach to respecting human rights across the Barclays Group in four areas: employees, customers/clients, suppliers and communities.

Our Supplier Code of Conduct outlines the expected standards we have of our suppliers (see more information under the DMA section on page 62), and we require our main suppliers to conduct an annual self-certification against these standards.

All three of these documents make specific reference to the UK Modern Slavery Act.


The Barclays Lens is a decision-making tool that provides a clear framework to ensure that we move beyond legal, regulatory and compliance concerns to consider broader societal impacts and opportunities.

Indicator requirement	Status
<b>G4-HR2</b> Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	

**Disclosure**  
In 2017, we developed an online training module on modern slavery, specifically targeting our client/customer facing teams, the events, roadshows and hospitality team and procurement colleagues. The module focuses on how we mitigate the risk of modern slavery and human trafficking in our supply chain, our client and customer base and direct operations. The module also featured in 'Financial Crime Friday' sessions, an informal awareness raising engagement series that runs every week for global financial crime colleagues.

As modern slavery continues to be a key issue for our business, we have also provided specific training to staff in key roles in the retail bank to develop their awareness of what constitutes criminal activity and how to identify unusual account activity that indicates potential wrongdoing. This training is specifically tailored to audience needs and has been delivered through different mediums depending on requirements.

### Supplier human rights assessment

Indicator requirement	Status
<b>G4-HR10</b> Percentage of new suppliers that were screened using human rights criteria.	

**Disclosure**  
Barclays seeks to support human rights through our supply chain by encouraging behaviours and practices that are consistent with the objectives of the Barclays Statement on Human Rights. We welcome relationships with our suppliers as opportunities to improve and evolve practices with respect to human rights. These behaviours and practices consider specifically:

- occupational health and safety
- freely chosen employment
- avoidance of child labour
- working hours
- wages and benefits
- employee freedom of association
- avoidance of discrimination
- grievance and whistleblowing mechanisms.

We continuously evaluate and implement laws and marketplace practices designed to avoid or mitigate negative impacts on society.

As stated on page 62, the Supplier Code of Conduct is a required set of standards that must be accepted by prospective suppliers and, where non low-risk supplier, must be attested to on an annual basis. The code of conduct makes reference to a number of human rights considerations as well as specific reference to the Modern Slavery Act.

Back in 2016, we established a relationship with an organisation who specialise in driving improvements in responsible and ethical business practices in global supply chains. During 2017, we worked together to review our supplier population against key risk indices to help identify the areas of heightened exposure to the risk of modern slavery. This review covered over 3,900 supplier records with whom we have a minimum spend threshold of £10,000. The results identified 388 suppliers as being at high risk of exposure to modern slavery. This included 359 based in India. We are now working with the same organisation to complete a more detailed assessment of the suppliers that have been identified as operating in geographies and industries of heightened risk.

We encourage our suppliers to partner with us in achieving this goal, by ensuring that all their employees and sub-contractors who interact with Barclays' personnel, clients and customers on Barclays' behalf, demonstrate these values and behaviours. The annual supplier attestation process and an on-site supplier assurance process every three years for high- and medium-risk suppliers reinforces our expectation for compliance with Human Rights and all other aspects of our supplier Code of Conduct.


## Anti-bribery and corruption

Society	
Indicator requirement	Status
<b>G4-DMA</b> Disclosures on management approach.	●
<p>Disclosure</p> <p>We aspire to run our business in an open and transparent manner and therefore take a zero tolerance approach to bribery and corruption. Barclays Anti-Bribery and Anti-Corruption Policy and Standards summarise our commitments in conducting our global activities free from any form of bribery and corruption.</p>	

Anti-corruption	
Indicator requirement	Status
<b>G4-S03</b> Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	◐
<p>Disclosure</p> <p>Barclays conducts a comprehensive Anti-Bribery and Anti-Corruption (ABC) Risk Assessment on an annual basis. This covers all operations globally, divided into 96 assessment units along business, functional and geographical lines. The Risk Assessment is overseen by the Financial Crime team which monitors the completion of action plans to mitigate key risks identified. These risks tend to relate to the countries where we conduct business, how we engage certain parts of our diverse customer base, how we manage third-party relationships or areas of our anti-bribery and anti-corruption control framework that require further strengthening.</p>	

Indicator requirement	Status
<b>G4-S04</b> Communication and training on anti-corruption policies and procedures.	◐
<p>Disclosure</p> <p>Our ABC policy applies to all businesses, functions and geographies globally and covers 100% of Barclays' operations. We have a zero tolerance approach towards any form of bribery or corruption. The 'Barclays Statement on Bribery and Corruption' can be downloaded from the Barclays website at <a href="http://home.barclays.com/citizenship/our-approach/policy-positions.html">home.barclays.com/citizenship/our-approach/policy-positions.html</a></p> <p>Our ABC policy, standards, procedures and training are designed to ensure compliance with all applicable anti-bribery laws in countries in which we operate.</p> <p>We have a comprehensive global ABC training programme which consists of mandatory general awareness training delivered via the Barclays learning management system. This training is further supplemented by role-specific enhanced ABC training (online, paper-based or face to face) for areas of our business where we have identified increased ABC risks.</p> <p>In accordance with our risk-based approach to managing ABC risk, we also assess whether our increased risk third parties should be required to undertake ABC training.</p>	

Indicator requirement	Status
<b>G4-S05</b> Confirmed incidents of corruption and actions taken.	◐
<p>Disclosure</p> <p>Please see Note 29 to the Financial statements contained in our Annual Report 2017 which outlines our legal, competition and regulatory matters.</p>	

Public policy	
Indicator requirement	Status
<b>G4-S06</b> Total value of political contributions by country and recipient/beneficiary.	●
<p>Disclosure</p> <p>The Group did not give any money for political purposes in the UK, the rest of the EU or outside of the EU, nor did it make any political donations to political parties or other political organisations, or to any independent election candidates, or incur any political expenditure during the year.</p> <p>In accordance with the US Federal Election Campaign Act, Barclays provides administrative support to a federal Political Action Committee (PAC) in the US funded by the voluntary political contributions of eligible employees. The PAC is not controlled by Barclays and all decisions regarding the amounts and recipients of contributions are directed by a steering committee comprising employees eligible to contribute to the PAC. Contributions to political organisations reported by the PAC during the calendar year 2017 totalled \$67,250 (2016: \$12,500).</p> <p> We provide additional information on public policy activity on our website at <a href="http://home.barclays.com/citizenship/reports-and-publications/public-policy.html">home.barclays.com/citizenship/reports-and-publications/public-policy.html</a></p>	

Compliance	
Indicator requirement	Status
<b>G4-S08</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	◐
<p>Disclosure</p> <p>Please see Note 29 to the Financial Statements contained in our Annual Report 2017 which outlines our legal, competition and regulatory matters.</p>	



## Specific Standard Disclosures Economic

Indicator requirement Status

### G4-DMA

Disclosures on management approach.



#### Disclosure

A successful, vibrant finance and banking sector is an essential enabler of social and economic progress, growth and development.

We focus on three key material aspects in the economic category:

**(1) Economic performance** – we believe the best way to support our stakeholders is by operating a strong, profitable and growing business, which creates jobs and contributes to the economic success of the communities in which we live and work.

Our strategy to deliver economic performance and key financial performance indicators for 2017 are available in the Strategic Report.

**(2) Indirect economic impacts** – banks play a central role in financing the real economy; including individuals and households; small businesses; corporates; and institutions and governments.

Our business model enables us to maintain relevance to our customers and clients, whatever stage of life they are in. For example, for individuals, our model can provide a safe place to store savings, help a first-time buyer make their first steps onto the property ladder, create an investment portfolio as wealth grows, or provide cross-border advice for the affluent. For businesses this means being ready to help entrepreneurs launch a business, fund its growth, expand internationally, protect against currency risk, and issue bonds and listed equity shares.

**(3) Community support** – Barclays plays a broader role in the communities in which we live and work beyond what we deliver through our core business activities. We support communities by:



Investing money, time and skills in partnerships with respected and relevant non-governmental organisations, charities and social enterprises. Read more about our community investment programmes [barclays.com/citizenship/supporting-communities/our-programmes.html](http://barclays.com/citizenship/supporting-communities/our-programmes.html)

Enabling colleagues to use their professional skills and expertise in a range of activities, including volunteering and fundraising. Read more about our employee programmes [barclays.com/citizenship/supporting-communities/employees-in-action.html](http://barclays.com/citizenship/supporting-communities/employees-in-action.html)

### Economic performance

Indicator requirement Status

### G4-EC1

Direct economic value generated and distributed.



#### Disclosure

We report the direct economic value generated and distributed in our financial review in the Annual Report, including revenues, operating costs, economic value retained and dividends paid.



We publish a summary of turnover, profits, employees, taxes paid and subsidies received by country in the 2017 Country Snapshot available online at [home.barclays/citizenship/reports-and-publications/country-snapshot.html](http://home.barclays/citizenship/reports-and-publications/country-snapshot.html)

#### Direct economic value generated and distributed

Value generated	2017	2016	2015
Revenues (total income) <sup>a</sup>	£21,076m	£21,451m	£22,040m
<b>Value distributed</b>			
<i>Shareholders</i>			
Dividends paid to shareholders	£509m	£757m	£1,081m
<i>Government</i>			
Taxes paid <sup>b</sup>	£2,516m	£2,824m	£3,577m
Taxes collected <sup>c</sup>	£2,786m	£2,733m	£2,957m
<i>Employees</i>			
Group compensation costs <sup>a</sup>	£7,123m	£7,445m	£7,301m
<i>Communities</i>			
Global investment in our communities <sup>d</sup>	£42.1m	£41.6m	£53.7m

#### Notes

a See the Barclays PLC FY2017 Results Announcement available at [home.barclays/results](http://home.barclays/results)

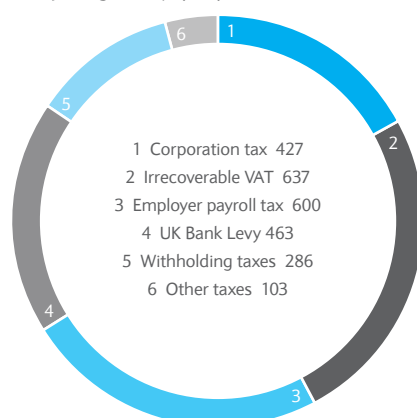
b Taxes paid are the Company's own tax contribution, representing taxes paid or suffered at source by the Company in the year. The amounts shown include tax payments made by entities within the Barclays Africa Group which were made before Barclays' reduction in its shareholding in the Barclays Africa Group on 31 May 2017.

c Taxes collected are those collected from employees and customers on behalf of governments. The VAT collected represents Barclays' contribution to the public finances and comprises VAT charged on sales to clients less VAT incurred on costs that Barclays is entitled to recover. The amounts shown include taxes collected by entities within the Barclays Africa Group before Barclays' reduction in its shareholding in the Barclays Africa Group on 31 May 2017.

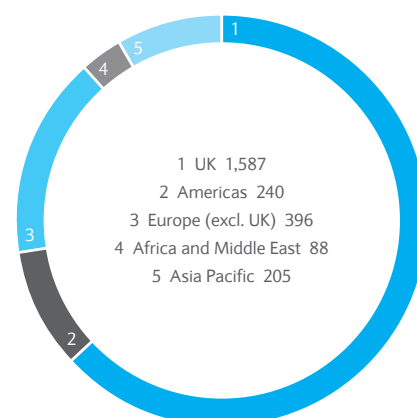
d We have restated community investment figures for 2015 and 2016 to exclude Barclays Africa Group.

#### Overview of tax paid by type and region 2017<sup>e</sup>

##### Tax paid globally (£m)



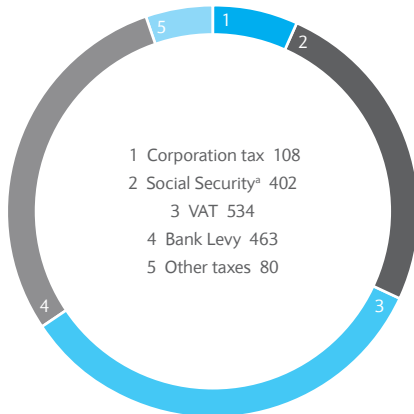
##### Tax paid by region (£m)



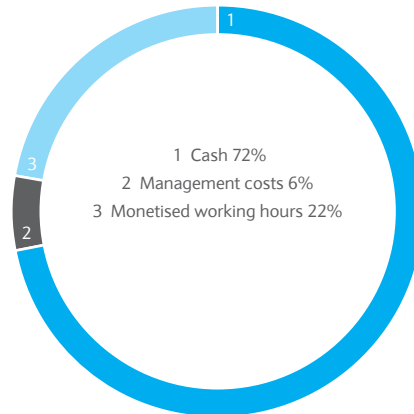
#### Note

e Please see 2017 Country Snapshot for more information.

Tax paid in the UK (£m)



Community investment (%)



**Colleague engagement**

Colleague participation is essential to the success of our Citizenship strategy. More than 50% of our colleagues participated in volunteering, fundraising or regular giving activity with 43,700 unique participants (2016: almost 44,000)<sup>b</sup>. We also have active internal Digital and LifeSkills, Environment, Social Innovation and Intrapreneur networks.

89% of colleagues are proud of Barclays' contribution to the community and society (2016: 88%), 5% above the Global Financial Services norm<sup>c</sup>.

**Community investment**

In calculating the investment in the community value, the LBG (London Benchmarking Group) methodology has been followed. Therefore, the cost of Citizenship programmes delivering Social Innovation that do not qualify under LBG guidelines have been excluded from the calculation.

Monetised volunteering hours is calculated using self-reported time volunteered by colleagues during the working day. Data is sourced from internal reporting systems including several manual sources and may not cover all relevant activity. We have applied subjective assessment to determine eligible volunteer work hours.

Indicator requirement	Status
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**G4-EC2**  
Financial implications and other risks and opportunities for the organisation's activities due to climate change. ●

Disclosure  
Please refer to the following sections of the report for details of Barclays' work relating to the Task Force for Climate-related Disclosures (TCFD) recommendations:

- TCFD case study – page 25
- product solutions – pages 53 and 54
- risk management – pages 45 to 47
- environmental footprint – pages 64 to 66.

**Indirect economic impacts**

Indicator requirement	Status
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**G4-EC8**  
Significant indirect economic impacts, including the extent of impacts. ●

- By supporting our customers and clients and working in partnership with other stakeholders we can create an environment in which individuals, institutions and governments are able to invest in sustainable progress and enable growth.
- To achieve long-term sustainable economic growth, a number of policy challenges must first be addressed, including: raising employment, improving access to housing and supporting families in planning for their futures. All of these goals rely on access to appropriate and responsible finance. In addition, new solutions to help tackle social and environmental challenges also need access to appropriate financing to help innovate, develop, commercialise and scale deployment.
- Banks play a key role in enabling the flow of capital towards environmentally or socially beneficial activity. A range of business lines across our firm are actively involved in delivering solutions across product groups, geographies and industry sectors.
- The world of work is changing and as technology increasingly shapes our personal and professional lives, we will need to be able to adapt to new business models and different ways of working. Through our employability programmes we will help equip the UK workforce with the core, transferable skills required in the workplace both now and in the future. Helping to tackle the skills gap and supporting individuals, communities and businesses to move forward.

We continue to work to understand and measure the impact our business makes on society.

Notes

- a Social Security – includes employer national insurance contributions.
- b Unique participants measures colleague involvement in eligible volunteering, matched fundraising, regular giving initiatives. Data sourced from internal reporting systems including several manual sources and may not cover all relevant activity.
- c Barclays YourView survey.



Procurement practices

Indicator requirement

Status

G4-DMA


Aspect: Procurement Practices.




Disclosure

Our supplier relationships are managed based upon an operational risk segmentation approach and are required to operate in accordance with our Supplier Code of Conduct. Barclays will always require that our suppliers comply with all applicable laws, regulations and standards within the geographies in which they operate. In instances where standards outlined in the Supplier Code of Conduct differ from local laws and customs, we expect suppliers to respect these standards within the context of the customs and the local laws of their specific geography.

The Barclays Supplier Code of Conduct, informed by the GRI reporting guidelines sets forth our minimum expectations with regard to environmental management, human rights, diversity and inclusion, societal responsibility, product responsibility, whistleblowing and working in accordance with the Barclays Values.

 Details can be found in our Supplier Code of Conduct [home.barclays/about-barclays/suppliers/requirements-of-external-suppliers.html#code-of-conduct](http://home.barclays/about-barclays/suppliers/requirements-of-external-suppliers.html#code-of-conduct)

Additionally, we have taken steps to minimise the risk of modern slavery and human trafficking in our operations and supply chain.

 Details can be found in our Modern Slavery Statement available at [home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017.pdf](http://home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/MSA2017.pdf)

The Barclays Supplier Code of Conduct applies to prospective and existing suppliers. For prospective suppliers, where we issue competitive bidding opportunities electronically through our request for proposal system, we require acceptance of the Supplier Code of Conduct. For existing suppliers, on an annual basis, suppliers categorised as non-low risk must attest to their ongoing commitment to meeting those expectations and, where failure, must remediate in order to remain in good standing. Periodically, for high-risk segmented suppliers, an onsite review may be conducted as part of our controls assurance process to look for evidence that the expectations are being delivered in an effective manner.

Some of the highlights of our Supplier Code of Conduct in practice are summarised below.

**Diversity and inclusion**

Barclays has a strong commitment to enable equality of opportunity and workplace cultures that promote inclusion, as outlined in the Barclays Diversity Charter. We not only meet the basic legal requirements in every jurisdiction we operate in, but seek to lead the way in this area. Through our Supplier Code of Conduct, we encourage our suppliers to partner with us to achieve excellence in equality, diversity and inclusion through:

- workplace inclusion
- inclusive supply chain management.

**Inclusive supply chain**

To reinforce an inclusive supply chain, we hosted the inaugural Barclays Supplier Diversity Second Tier Conference in London in 2016. Recognising the position in our supply chain that diverse suppliers – small and medium sized, as well as diverse owned businesses – can play in the delivery of goods and services on the second tier, or subcontractors to our first tier suppliers, we enlisted 40 of our largest first tier suppliers in a one-day conference to help us identify ways of increasing the throughput of diverse suppliers on Barclays' work. Most of the large suppliers had no prior experience in supplier diversity and have since committed to instituting similar initiatives in their companies. As part of the activity, we introduced dozens of UK-based diverse suppliers to be considered as potential partners and subcontractors. In 2017, the impact of the Second-Tier Conference yielded previously unrecognised spend with diverse suppliers through our large prime suppliers. The results are now included in the Barclays' Supplier Diversity performance, demonstrating our supply chain impact on society. Further, the annual attestation process has introduced supplier diversity to prime suppliers not previously familiar with this corporate best practice.

We anticipate ongoing benefits that will accrue to diverse suppliers beyond opportunities to partner on Barclays' work – enjoying the reach their clients have in servicing the larger UK and global corporate marketplace.

To further reinforce the importance of the Supplier Code of Conduct, we now require the Supplier Code of Conduct to be detailed in responses to Request for Proposals. Where the potential for favourable or unfavourable societal impact is high, the responses will help inform which companies make for the best supply chain partners.



**Prompt payment**

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.

Barclays is a signatory to the Prompt Payment Code in the UK, [promptpaymentcode.org.uk](http://promptpaymentcode.org.uk). We commit to paying our suppliers within clearly defined terms, and to ensuring there is a proper process for dealing with any issues that may arise. We measure prompt payment by calculating the percentage of third-party supplier spend paid within a specified time following invoice date, or receipt date if the invoice is already over 45 days from invoice date (by value over a three-month rolling period) for all entities where invoices are managed centrally. In 2017, Barclays achieved 89%  $\Delta$  payment on time, exceeding our public commitment of 85%. By paying our suppliers promptly, we live the Barclays Values and Behaviours. We expect the same to be the practice of our suppliers in doing business with their subcontractors.

Indicator requirement	Status
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<b>G4-EC9</b> Proportion of spending on local suppliers at significant locations of operation.	●
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**Disclosure**  
All suppliers are treated equally and fairly in accordance with relevant sourcing and procurement policies. We select suppliers based upon best value and seek ways to maximise competition from all segments of society.

As part of our Supplier Diversity initiative, in the major regions of the world where we do business, we work with non-governmental agencies (NGOs) to identify local, diverse businesses to compete for business throughout our supply chain. The diversity of these businesses span size and maturity differences, as well as ownership characteristics – gender, racial, cultural, sexual identity, military background and physical-ability differences, as defined by local law or standards. Through establishment of policy and practices within our procurement function, we implemented matchmaking, reporting, education and engagement programmes that have seen us steadily improve our proportion of global expenditure with diverse suppliers, moving from 5.6% of spend in 2014 to nearly 7% in 2017.

Our Supplier Diversity Day events have introduced high-potential diverse suppliers to our business leaders that have provided innovation and cost savings.

Our Supplier Diversity Second-Tier (subcontracting) event expands our reach, enlisting prime suppliers in support of diverse suppliers. Our inaugural Second-Tier Conference in 2016 was considered a first-of-its-kind in the UK by a large corporate entity.

Our Supplier Awards event recognises the best of our supply chain that exemplify excellence. Barclays' suppliers across the world compete for awards in various categories, including Innovation, Citizenship, Customer Experience, Diverse Supplier and Supplier of the Year.

Note  
 $\Delta$  Within KPMG's limited assurance scope. Please see page 67.

Indicator requirement	Status
G4-DMA	

Disclosure

At Barclays we aim for continuous improvement in mitigating our direct environmental impacts, reducing use of natural resources and preventing pollution. Barclays' approach to managing environmental impacts is set out in Barclays Environmental Sustainability Policy.

We invest in improving the energy efficiency of our operations and offset the emissions remaining through the purchase of carbon credits, sourced from verified projects.

Environmental data is collected and reported for all offices, retail branches and data centres where Barclays has operational control and is financially responsible for the utility supply, and as defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard, Revised Edition<sup>a</sup>.

Environmental data from joint ventures, investments, or sub-leased properties that are owned or leased by Barclays have not been included within the reported figures.

Environmental data from travel is reported for business-related travel only, and excludes commuting travel.

Reporting period

Environmental data for 2013 to 2017 is reported for the periods running from 1 October to 30 September.

Environmental data prior to 2013 is reported on the basis of Barclays' financial year, running from 1 January to 31 December.

This change in period was adopted in order to meet reporting deadlines for the Annual Report and meet reporting requirements under the Companies Act.

Materials

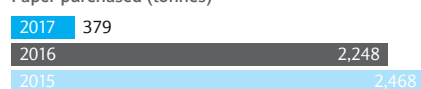
Indicator requirement	Status
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G4-EN1 Materials used by weight or volume.	
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Disclosure

Our paper consumption in 2017 is presented below. We capture paper purchased data from our Sourcing teams globally.

Paper purchased (tonnes)



Coverage



A significant reduction is seen for 2017 paper purchased due to data availability from our suppliers.

Energy

Indicator requirement	Status
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G4-EN3 Energy consumption within the organisation.	
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Disclosure  
Energy (GWh)



Coverage



Indicator requirement	Status
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G4-EN5 Energy intensity.	
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Disclosure

2017 energy intensity ratio is 418 calculated as Barclays 2017 total energy consumption (kWh) divided by 2017 floor space (m<sup>2</sup>).

Indicator requirement	Status
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G4-EN6 Reduction of energy consumption.	
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Disclosure

Please refer to our website for further details on our energy efficiency programme at [home.barclays/citizenship/our-approach/environment.html](http://home.barclays/citizenship/our-approach/environment.html)

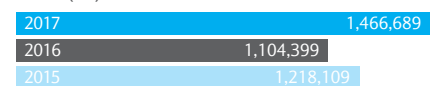
In 2016, we launched a target to achieve a 30% carbon reduction by 2018 against the 2015 baseline. As part of this, we have a programme to deploy managed energy efficiency initiatives in our property portfolio to reduce the amount of energy our sites consume.

Water

Indicator requirement	Status
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G4-EN8 Water (m <sup>3</sup> )	
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Disclosure  
Water (m<sup>3</sup>)



Coverage




Note  
a ghgprotocol.org

**Emissions**

Indicator requirement	Status
<b>G4-EN15</b> Direct greenhouse gas emissions (scope 1).	●

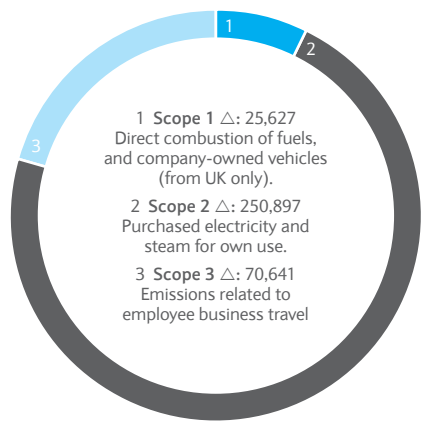
Disclosure  
All our greenhouse gas emissions are reported in the Annual Report.

 For further details see our website [home.barclays/annualreport](http://home.barclays/annualreport)

Scope 1 building-related emissions include diesel fuel and natural gas for our global operations. The report covers 100% of our portfolio by floor space, as defined in the 'reporting boundaries' section. For real estate related CO<sub>2</sub>e emissions, 95% of the reported emissions come from data provided by on-site delegates, invoices and meter readings, as opposed to estimates. For data centres-related CO<sub>2</sub>e emissions, 100% of the reported emissions come from data provided by on-site delegates, invoices and meter readings.

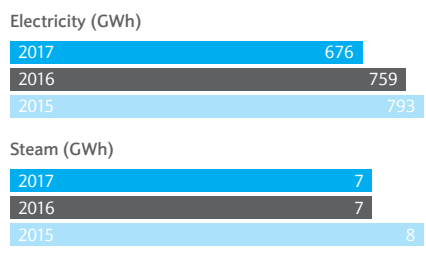
For company car related CO<sub>2</sub>e emissions, 90% of the reported emissions come from data provided by an expense portal as managed by our HR teams.

**Total emissions by scope 2017 (tonnes CO<sub>2</sub>e)**



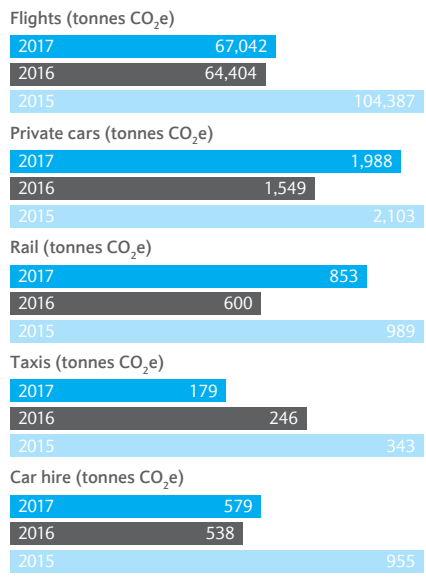
Indicator requirement	Status
<b>G4-EN16</b> Energy indirect greenhouse gas emissions (scope 2).	○

Disclosure  
Scope 2 emissions are all building-related and include electricity and steam for our global operations. The reporting boundaries are the same as for scope 1 building-related emissions.



Indicator requirement	Status
<b>G4-EN17</b> Other indirect greenhouse gas emissions (scope 3).	●

Disclosure  
Scope 3 emissions include global air travel, private cars, rail and taxis in the UK and car hire in the UK, India and the US. Travel-related emissions cover 99% of travel, and have an accuracy rate of 95%.



Indicator requirement	Status
<b>G4-EN18</b> Greenhouse gas (GHG) emissions intensity.	●

Disclosure  
2017 greenhouse gas (GHG) emissions intensity ratio is 4.34 tonnes/FTE calculated as Barclays total GHG emissions for 2017 divided by 2017 FTE.

Indicator requirement	Status
<b>G4-EN19</b> Reduction of greenhouse gas (GHG) emissions.	●

Disclosure  
In 2016, Barclays set a new carbon reduction target of 30% by the end of 2018, against the 2015 baseline. This commitment has been published in the Shared Growth Ambition Citizenship Plan. At the end of 2017 we achieved a 26.1%<sup>△</sup> reduction against the 2015 baseline.

Note  
△ Within KPMG's limited assurance scope. Please see page 67.



## Specific Standard Disclosures Environmental

### Effluents and waste

Indicator requirement Status

#### G4-EN23

Total weight of waste by type and disposal method.



#### Waste produced (tonnes)

2017	12,333
2016	14,035
2015	17,577

#### Confidential paper waste (tonnes)

2017	3,799
2016	4,101
2015	4,814

#### Recycled confidential

2017	3,799
2016	4,085
2015	4,792

#### Construction waste (tonnes)

48 2017	
2016	1,603
2015	1,407

#### Coverage

2017	89%
2016	88%
2015	84%

A significant reduction is seen for 2017 construction waste due to data availability from our supplier.

### Products and services

Indicator requirement Status

#### G4-EN27

Extent of impact mitigation of environmental impacts of products and services.



#### Disclosure

Our Environmental Risk Management (ERM) team ensures that environmental issues form part of credit risk assessment, and that environmental risk standards are clearly referenced in our credit sanctioning policies. Our property and land valuers can use our environmental screening product, Barclays SiteGuard, to assess the history of a piece of land and the operational implications of a site's current or intended commercial use. Where appropriate, cases are referred to Barclays ERM for review. In 2017, 3,784 commercial properties were screened, with 1,609 cases referred.

Barclays fulfils the requirements of the Equator Principles (EP), an internationally recognised framework for environmental and social risk due diligence in project finance. Barclays was one of four banks to collaborate on developing the principles. In 2017, 180 (2016<sup>a</sup>: 410) transactions were reviewed in Barclays' central credit risk team, of which three were subject to scrutiny against the principles' due diligence framework. See page 45 for information.

### Compliance

Indicator requirement Status

#### G4-EN29

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.



#### Disclosure

Please see Note 29 to the financial statements contained in our Annual Report 2017 which outlines our legal, competition and regulatory matters.

Indicator requirement Status

#### G4-EN32

Percentage of new suppliers that were screened using environmental criteria



#### Disclosure

Barclays recognises that the management of environmental impacts is integral to good business practice, as is outlined within the Barclays Environmental Sustainability Policy. We encourage our suppliers to join us in similar environmental efforts to implement Environmental Management Systems (EMS) as appropriate to their businesses, and align with best practice activities including the following:

- Set environmental targets
- Reduce environmental impacts
- Report progress.

We recognise that our impacts extend beyond our direct footprint. In 2017, Barclays requested 100 of our high-risk suppliers (by spend) to respond to Carbon Disclosure Project's (CDP) Climate Change questionnaire. Of the 100 suppliers, 58% responded back to CDP disclosing their carbon emissions, environmental strategy and governance, and emissions reductions targets. Barclays has further enhanced our Supplier Code of Conduct (SCoC) by including additional controls for harm to environment and aligned the environmental requirements of our SCoC to CDP's Climate Change questionnaire.

Barclays also collaborated with a supplier to raise data centre cooling temperatures by two degrees celsius reducing our scope 3 supply chain emissions. Barclays currently do not externally report on scope 3 supply chain emissions, however, this is monitored internally while we complete a baseline analysis of our supply chain emissions.

## Carbon offsetting

As in previous years, Barclays has offset its carbon footprint by funding an equivalent carbon dioxide saving elsewhere through the purchase of carbon credits. This is part of Barclays' wider strategy around reducing our overall footprint, which prioritises reducing operational carbon emissions through improved energy efficiency and sourcing low-carbon energy where it is cost effective to do so. We further work to drive carbon management and reduction downstream through working with our top 100 suppliers and partners to engender a low carbon culture. Lastly we offset unavoidable CO<sub>2</sub> emissions from energy use in buildings and in business travel.

We offset our 2017 emissions through a number of projects located in the regions in which we operate: UK, the Americas and Asia Pacific. This year we engaged colleagues to vote for one project in each region, the proportion of votes in each category determined the level of investment in each of the projects. In addition, we continued to provide support the Kasigau Corridor project in Kenya, which is part of REDD+ (Reducing Emissions from Deforestation and Forest Degradation), a climate change mitigation strategy envisioned by the United Nations.

REDD+ places a value on a standing forest as a key element in a plan to avoid continued deforestation, which also provides forest communities and countries with a model for economic development where both people and the planet can benefit.



Note

<sup>a</sup> Please note that 2016 data included Barclays Africa Group Limited (BAGL) transactions.

KPMG LLP ('KPMG' or 'we') were engaged by Barclays PLC ('Barclays') to provide limited assurance over the Selected Information described below for the reporting year ended 31 December 2017.

#### Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report's intended use.

#### Selected Information

The scope of our work includes only the information included within the Barclays Environmental Social Governance Report ('the Report') for the reporting year ended 31 December 2017 marked with the symbol Δ ('the Selected Information').

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Report or displayed on Barclays' website for the current year or for previous periods unless otherwise indicated.

#### Reporting Criteria

The Reporting Criteria we used to form our judgements are the Shared Growth Ambition 2017 Reporting Framework as set out at [home.barclays/citizenship/our-reporting.html](http://home.barclays/citizenship/our-reporting.html) supplemented for the Selected Information related to Access to Employment by the Barclays LifeSkills Reporting Guidelines as set out at [barclayslifeskills.com/reporting/LifeSkills%20Reporting.pdf](http://barclayslifeskills.com/reporting/LifeSkills%20Reporting.pdf). The Selected Information needs to be read together with the Reporting Criteria.

#### Inherent limitations

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

In particular, for the Selected Information related to Access to Employment the method of collecting data on the number of participants could allow for some double-counting of participants. Barclays apply estimation techniques to adjust for the effect of any such double-counting. The cumulative number of participants since inception of the scheme will include a number of participants who are no longer involved in the scheme. It is not an indication of the number of active participants at 31 December 2017.

#### Directors' responsibilities

The Directors of Barclays are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

#### Our responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria and to report to Barclays in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

#### Assurance standards applied

We performed our work in accordance with International Standard on Assurance Engagements 3000 – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' ('ISAE 3000') and, in respect of the greenhouse gas emissions information included within the Selected Information, in accordance with International Standard on Assurance Engagements 3410 – 'Assurance Engagements on Greenhouse Gas Statements' ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### Independence, professional standards and quality control

We comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and we apply International Standard on Quality Control (UK) 1, 'Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements'. Accordingly, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards (including independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) as well as applicable legal and regulatory requirements.

#### Summary of work performed

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, whether due to fraud or error, our work included, but was not restricted to:

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with Barclays management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;
- selected limited substantive testing at the head office, including agreeing a selection of the Selected Information to corresponding supporting information;
- considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- for the Selected Information related to Access to Employment, agreeing the brought forward cumulative number of participants as at 31 December 2016 to previously reported Selected Information;
- performing analytical review procedures over the aggregated Selected Information, including a comparison to the prior year amounts having due regard to changes in business volume and the business portfolio; and
- reading the Report and narrative accompanying the Selected Information in the Report with regard to the Reporting Criteria, and for consistency with our findings.

#### This report's intended use

This assurance report is made solely to Barclays in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of Barclays showing that it has obtained an independent assurance report in connection with the Selected Information.

We have not considered the interest of any other party in the Selected Information. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party other than Barclays for our work, for this assurance report or for the conclusions we have reached.



**Paul Holland**  
for and on behalf of KPMG LLP

Chartered Accountants  
London  
22 February 2018

The maintenance and integrity of Barclays website is the responsibility of the Directors of Barclays; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Report presented on Barclays website since the date of our report.



## Notes

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the year ended 31 December 2017 to the corresponding twelve months of 2016 and balance sheet analysis as at 31 December 2017 with comparatives relating to 31 December 2016. The abbreviations '€m' and '€bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '\$m' and '\$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively. There are a number of key judgement areas, for example impairment calculations, which are based on models and which are subject to ongoing adjustment and modifications. Reported numbers reflect best estimates and judgements at the given point in time. Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal road-shows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time to time over the coming quarter it will meet with investors globally to discuss these results and other matters relating to the Group.

## Non-IFRS performance measures

Barclays' management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the business' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays' management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to the pages 223 to 225 of the Barclays PLC Annual Report 2017 for further information and calculations of non-IFRS performance measures included throughout this document, and the most directly comparable IFRS measures.

## Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, structural reform, capital, leverage and other regulatory ratios, payment of dividends (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets and the impact of any regulatory deconsolidation resulting from the sell down of the Group's interest in Barclays Africa Group Limited, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers, IFRS 9 impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards including the implementation of IFRS 9, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the exercise by the United Kingdom of Article 50 of the Treaty of Lisbon and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on form 20-F for the fiscal year ended 31 December 2017), which will be available on the SEC's website at [www.sec.gov](http://www.sec.gov) Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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 BARCLAYS

Positioned for growth,  
sharing and success

Barclays PLC  
Environmental  
Social Governance  
Report 2017

#### Front cover image

#### Migrating sort codes, maintaining great service

To meet reforms introduced by the UK government, Barclays is required to set up a new ring-fenced UK bank – separating our day-to-day retail banking activity from other parts of our business. This means new sort codes for thousands of our customers and clients. As a result, we've successfully transferred 865,000 UK bank accounts with the help of colleagues like Kate Old and Carl Pilkington.