How we are doing
The activity in our business units reflects our progress in becoming the partner of choice...

Barclays Group: our 2015 structure, markets and customer type

<table>
<thead>
<tr>
<th>Group structure</th>
<th>Markets</th>
<th>Customer type</th>
</tr>
</thead>
</table>
| Personal and Corporate Banking   | ■ UK Retail
■ Corporate Banking
■ Wealth                                |               |
| See pages 18-19                   |                                                                         |               |
| Barclaycard                       | ■ UK cards
■ US cards
■ Card businesses in Europe
■ Business Solutions                |               |
| See pages 19-20                   |                                                                         |               |
| Africa Banking                    | ■ Retail and business banking, cards
■ Corporate and investment banking
■ Wealth and Investment Management, and Insurance |               |
| See pages 21-22                   |                                                                         |               |
| Investment Bank                   | ■ Markets
■ Banking
■ Research                              |               |
| See pages 22-23                   |                                                                         |               |
| Barclays Non-Core                 | ■ Principal non-strategic businesses
■ Securities and loans, such as non-strategic
■ Long dated corporate loans
■ Derivatives impacted by regulation |               |
| See pages 24                       |                                                                         |               |

The 2015 performance has been reported in the business units that operated during the year. With a change in structure for 2016, an upcoming restatement document will detail 2015 performance under the new business units.

The following pages provide an insight into what each of the businesses do, the products they provide and markets they serve, and how they look to add value to Barclays’ business model.

How each of our businesses deliver the strategy will differ. For instance, the majority of our colleagues in Personal and Corporate Banking work in our distribution network whereas Africa Banking provides fundamental banking infrastructure to a developing continent. Hence the contribution of each of our businesses will differ to the overall Balanced Scorecard for the Group, as seen on page 11. Therefore the metrics on the following pages demonstrate how each of our businesses contribute in their own individual way. Africa Banking contributes to the Balanced Scorecard of the South African listed entity, Barclays Africa Group Limited.
Personal and Corporate Banking

“We are succeeding by putting our customers and clients at the heart of everything we do and by continuing to do this we will become the partner of choice for the UK Ecosystem.”

Ashok Vaswani
Chief Executive
Personal and Corporate Banking

Our purpose

Society is facing a digital revolution which is transforming the lives and businesses of our customers and clients. We firmly believe that Barclays has a social and commercial responsibility to help customers and non-customers to embrace the new and ensure that no one is left behind on the digital journey.

How the business is structured and what we provide to the Group

PCB is a powerhouse with the potential to challenge the traditional UK banking landscape.

- Personal Banking: provision of simple and transparent banking products to c.14 million customers, with a focus on transforming customer interactions through automating routine transactions and humanising important moments
- Mortgages: a single, highly automated, industrial strength engine to provide mortgage services to over 1.5 million individuals
- Corporate Banking: an end-to-end proposition and service continuum that supports nearly one million clients, from start-ups and small businesses, through FTSE 100 companies, to partnering with the largest global corporations
- Wealth: a differentiated wealth and investment management business for 35,000 high net worth and ultra-high net worth clients focused on the UK Ecosystem

Using our structure and leveraging advances in technology, we can innovate to deliver relevant and differentiated client and customer experiences while driving down costs and improving control.

Environment in which the business operates

We are in the midst of a digital revolution where everyone now expects and demands services that are easy to access, fast and reliable. Customers expect us to be with them, whenever, wherever and however they choose to transact. That’s why we’re investing in building the capacity to deliver our services digitally and finding ways to redefine how we meet customer expectations. We are restless in the pursuit of finding innovative ways to solve the routine everyday money moments while empowering and training our colleagues to help customers when they need us the most.

Risks to this business model

While executing our strategy we are cognisant that the external market and environment in which PCB operates is constantly changing, with emerging regulation, rapidly evolving competitive landscape and increasing customer expectations.

We are making good progress to adapt and evolve with the changing environment to mitigate against these risks. For example:

- focusing on ensuring operational and business risks are totally understood and appropriately addressed
- reshaping the way we interact with our customers in a way that will drive customer satisfaction and deepen customer engagement
- automating and simplifying processes, controls, systems and products
- driving technological innovation to enable our existing customers to do more with us.

We continue to focus on embedding Conduct Risk awareness across PCB to build on our values-led culture and keep customers and clients at the centre of everything we do, by empowering colleagues to ensure the right outcomes for our customers.

Salford City Council partnership

Our ability and enthusiasm for supporting the wider non-banking needs of the Council, has led us to become the chosen financial services partner for the Local Authority Sector in the Greater Manchester area.

We worked closely with Salford City Council to understand their specific needs and devised a strategic plan in conjunction with the Council and its partners, focusing on digital skills and driving efficiency by:

- utilising Barclays Digital Eagles to provide free ‘Code Playground’ and ‘Tea and Teach’ sessions across the City, supporting residents of all ages with building confidence in digital skills
- providing an easier and more convenient way for residents to pay for Council services by signing Salford City Council up to Pingit, our innovative payment solution
- collaborating with the Council to develop a secure communication portal, enabling the Council to share information with colleagues in a safe and secure way.
Review of the year
2015 was a transformational year for PCB. We continued to support growth in the communities in which we operate, helping 17,600 people take their first steps onto the property ladder, lending £3.6bn in Barclays loans and launching a £1.5bn fund to support fast-growing technology businesses in the UK.

By innovating and harnessing technology, we are able to provide simple and relevant solutions for our customers and clients. We launched Barclays Blue Rewards providing customers with a simple and inclusive digital rewards proposition, paying cash every month, to recognise and reward their relationship with us. We also created the FX powered by Barclays app, giving users an information-only tool to compare up to the second FX rates and margins.

We continued to use technology to make customers’ lives easier in a number of UK banking firsts. Over 60,000 cheques, totalling over £35m, were processed as digital images through our Mobile Cheque Imaging pilot and through the partnership between Pingit and Camelot, we were able to create the first new payment option for the National Lottery in over a decade.

We were the first UK bank to launch Video Banking, allowing customers to securely carry out their banking through a digital face to face service with our expert colleagues. Our Serve Anywhere iPad technology enabled colleagues to access customer systems remotely in an industry first for any UK retail bank.

We made significant progress in de-risking the business and made a strategic decision to sell Barclays Wealth Americas and transformed the Wealth business with a focus on simplification and innovation in markets where we can compete at scale. In 2015, we were awarded Wealth Manager of the Year at the Global Investor Awards.

We continued to work towards our ambition to become the most inclusive and accessible bank in 2015, reaching over 4,000 Teller ATMs, being the first bank to launch a Sign Video service and launching the Community Driving Licence – a modularised colleague training app to better understand the needs of different customer circumstances.

We are firmly committed to leaving no-one behind as we enter into the digital revolution with our network of over 15,000 UK Data Eagles supporting customers and non-customers to build their confidence in digital skills. In 2015 alone, they hosted almost 5,000 Tea and Teach sessions helping those taking their first steps to get online, more than 1,000 Code Playgrounds teaching young people and their parents to code and over 250 Digital Business Clubs supporting small businesses in taking advantage of the opportunities new technology brings. We also continued to help the next generation secure employment and manage their finances more effectively, with the number of young people participating in our LifeSkills programme since 2013 reaching over 1.8 million and almost 3,000 colleagues volunteering to run LifeSkills sessions last year.

Barclays
“We continue to build on our heritage of innovation, offering a range of market leading solutions to help consumers make and retailers take payments.”

Amer Sajed
Interim Chief Executive, Barclays

<table>
<thead>
<tr>
<th>BUSINESS SEGMENT PERFORMANCE</th>
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<tbody>
<tr>
<td>Barclaycard</td>
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<tr>
<td>Contribution to the Group</td>
</tr>
<tr>
<td>Income (£m)</td>
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<tr>
<td>Profit before tax (£m)</td>
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<tr>
<td>Adjusted ROE (%)</td>
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<tr>
<td>Risk Weighted Assets (£bn)</td>
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Delighting our customers with free access to credit scores and education
When Barclays US discovered that more than 60% of the US population does not check their credit score regularly, they realised just how far this was impacting their everyday decisions from renting an apartment to getting a new mobile phone contract. The team made enhancements to their mobile app and servicing website to give customers their FICO® Credit Score, too two key factors affecting it, along with related information for customers to keep in mind.

Over three million cardholders in the US are now proactively viewing their FICO® scores with about 66% accessing it monthly and around 35% using our mobile app. Lower rates of delinquency have been observed in customers taking advantage of the service.

Based on the positive feedback and engagement from our customers in the US, a similar initiative with a local partner has since been taken up in the UK with free credit score checks for all our UK customers too.

FICO is a registered trademark of Fair Isaac Corporation in the US and other countries.
Our purpose
Barclaycard aspires to be the most recommended brand to help consumers buy and clients sell, every day. We provide funding to facilitate payments and lend responsibly to customers and clients based on their needs and our risk appetite. We also enable retailers to accept payments through a range of innovative point of sale solutions.

How the business is structured and what we provide to the Group
Barclaycard serves consumers in both of Barclays’ core geographies, the UK and the US, as well as in Germany and Southern Europe. We also operate in Norway, Sweden and Denmark via our EnterCard joint venture. We provide branded and co-branded consumer cards to our customers and business solutions to our clients, including commercial cards, payment acceptance and point of sale finance. Our business model is diversified by geography and product line and our scale helps us deliver a strong financial performance through the economic cycle.

Environment in which the business operates
The consumer payments and lending environment is experiencing considerable change, driven by new competitors and technology, consumer behaviour and regulation. Competition from traditional and non-traditional players is intensifying, adding pressure to an already crowded payments environment. Electronic and mobile commerce are changing consumer expectations, driving a need for a fast and seamless payments experience. Across the payments landscape regulation is challenging existing business models but also enabling increased card acceptance, as cash is reduced by electronic payments.

Many of the trends above provide opportunities for Barclaycard to help its customers and clients achieve their goals. Our future business strategy is focused on opportunities that represent the best interests of our customers and clients and that help us deliver sustainable growth.

Risks to this business model
Managing risk is a critical element of our culture. Barclaycard faces risks every day which, if they crystallise, could negatively impact our business, our customers and clients and our colleagues.

Barclaycard is exposed to a series of risks and threats, including macroeconomic fluctuations, potential economic shocks, further regulatory changes, fraud, increasingly sophisticated cybercrime and the resilience of our core infrastructure.

We address risk by rigorous consideration of customer outcomes in the way we define and execute our strategy and make decisions. We operate within agreed risk appetites to ensure we maintain the planned risk profile. Our lending strategy is supported by clear target market criteria, ensuring we lend to those for whom credit is suitable.

We also address risk through our diversified business model, by innovating to create new opportunities, by identifying ways to meet changing customer demands in a more efficient way, and by continuing to invest in technology, people and processes.

Examples of innovations/deals this year
Barclaycard achieved numerous industry accolades in 2015. Our proprietary bPay wearable payments solution secured eight industry awards, including “Best Alternative Payments” at the Card and Payments Awards for UK and Ireland.

Since our deployment of contactless payment across London’s transport network in 2014, over 250 million journeys have been completed using over 8.7m unique cards from 80 countries.

Finally, our US business announced a partnership with JetBlue to launch a new co-branded credit card program in early 2016, adding to our list of prestigious partnerships.

Review of the year
Barclaycard delivered a record performance in 2015. Profit before tax increased 22% to £1,634m. Strong growth was delivered through the diversified consumer and merchant business model with asset growth across all geographies. Cost to income ratio improved to 42% (2014: 43%), while investment in business growth continued. The business focus on risk management was reflected in stable 30-day delinquency rates and improved loan loss rates. This resulted in a return on average equity of 17.7% (2014: 16.0%) and a return on average tangible equity of 22.3% (2014: 19.9%).

Total income increased 13% to £4,927m, driven primarily by growth in US cards and the appreciation of the average USD rate against GBP.

Loans and advances to customers increased 9% to £38.8bn, reflecting growth across all geographies.

Customer deposits increased 40% to £10.2bn driven by the deposits funding strategy in the US.

In 2015, the value of transactions increased by 14%, to reach £239bn.

We have also maintained the strong customer acquisition trend from previous years, as we welcomed over 4 million new customers and 32,000 new clients in 2015, while reaching an important milestone in Germany of over 1 million customers. We have also continued to improve customer satisfaction by delivering products and services important to our customers, enabling simplification of our proposition and driving digital customer engagement.

We have made further progress in embedding Conduct Risk into our business, by strengthening areas around governance and culture, product design and customer servicing, and embedding a Conduct focused culture throughout our business, thus striving to deliver the right outcomes for our customers and clients.

Building on our commitment to make a positive difference to the communities in which we live and work, 69% of colleagues used Barclays support to volunteer, fundraise or donate. We are also making Barclaycard an even better place to work, with over 93% of our high performing employees retained, 56% of hires internal appointments and 34% of our senior leaders women.

In 2016, we are very excited to mark two significant milestones in our history—celebrating Barclaycard’s 50th anniversary and the 25th year of activity for our German operations. Since launching the UK’s first credit card in 1966, Barclaycard has continued to push the boundaries and challenge the status quo—creating the payment innovations of today and defining the possibilities of how people will pay tomorrow.
Africa Banking
“In the third year since the formation of Barclays Africa Group Limited, our strategy execution is on track. We are well positioned to address the Africa growth opportunity, make a positive economic contribution to our communities, and deliver sustainable returns for our shareholders.”

Maria Ramos
Chief Executive.
Africa Banking

Our purpose
We are focused on our goal to be the bank of choice in Africa. Our growth strategy is based on a unique competitive advantage – we are an African bank that is fully local, fully regional and fully international.

How the business is structured and what we provide to the Group
Africa Banking is a diversified financial services provider offering an integrated range of products and services across retail and business banking (RBB), credit cards, corporate and investment banking, wealth and investment management and insurance (WAMI). We serve nearly 12 million customers across Africa and have a long-standing presence in 12 countries, including in our largest market South Africa.

Africa Banking is a combination of the results of Barclays Africa Group Limited (BACL), and Barclays Egypt and Barclays Zimbabwe.

BACL strategy
BACL’s strategy is underpinned by four clear themes. First, as an African bank, we invest in growth opportunities on the continent and provide access to the African and global capital markets. Second, as a customer-focused organisation, we aim to ensure customer experience remains our primary focus to make customers’ lives easier and help them prosper. Third, we are simplifying our business to reduce costs and improve efficiency. Finally, we continue to make significant investments in technology and automation.

Our Retail and Business Bank strategy is to transform our leading retail franchise in South Africa, and in our other African markets. We made strong progress on new customer acquisition, improved customer experience, and are investing heavily in mobile and other technologies. In our Business Bank, we are improving channel efficiency to serve small businesses and medium corporates. In our Corporate and Investment Bank, we completed the roll out of a best-in-class integrated product platform for corporates in all our markets, and we are repositioning our Markets business. In our Wealth, Investment Management and Insurance business, we expanded into East Africa, improved performance in our short-term insurance business, and transformed our Wealth and Investment Management business to an advisory-led model.

Environment in which the business operates
Against the backdrop of a slowing global economy, Africa economies are experiencing lower growth rates in part driven by lower commodity prices. In South Africa, our largest market, persistent power shortages and drought have had a significant economic impact. In many African countries, the challenges of job creation and access to quality affordable education, and the need for a more equitable society free of race and gender discrimination, have become more critical. As a major financial services group in Africa, we aim to have a positive economic impact and invest in our communities, while delivering sustainable shareholder returns.

The industry in which we operate is highly competitive and dynamic. Mobile and other technologies enable new market entrants and disrupt traditional models, while at the same time the complexity in the operations and technology environments has increased. BACL continues to make sizeable investments in innovation, data and automation to improve customer experience and increase efficiency. Mobile technology in particular is transforming our distribution channels in line with industry and competitor trends.

Review of the year
Africa Banking 2015 performance was solid and we made further progress on the financial commitments that we set out to the market. Our Cost-to-income ratio was lower than 2014 as income growth...
The activity in our business units reflects our progress in becoming the partner of choice... continued

exceeded sub-inflationary cost growth. Africa Banking RoE of 8.7% and RoIE of 11.7% was lower than 2014, although underlying returns in BAGL increased further. Contribution from the markets outside of South Africa increased, and is now above 20% as these markets grew faster than South Africa. We are currently top 3 by income in four of our largest five markets.

On a reported basis, profit before tax decreased 1% to £979m and total income net of insurance claims decreased 2% to £3,574m. The ZAR depreciated against GBP by 10% based on average rates and by 28% based on the closing exchange rate in 2015 and was again a significant contributor to the movement in the reported results of Africa Banking.

The discussion of business performance that follows is based on results on a constant currency basis unless otherwise stated.

Profit before tax increased 11% reflecting growth in rest of Africa operations of 18% and growth in South Africa of 9%. Good growth was achieved in the identified strategic areas of RBB and Corporate Bank in South Africa, and WM, while the corporate business outside South Africa was negatively impacted by higher impairments. Investment Bank trading performance in South Africa was lower as Fixed Income, Currencies and Commodities (FICC) income was impacted by a volatile environment.

Total operating expenses for Africa Banking increased 5% with inflationary pressure, partially offset by savings from strategic cost programmes including the restructure of the branch network, increased automation, and property rationalisation.

Loans and advances to customers increased 8% to £29.9bn (reported), driven by strong Corporate and Investment Bank growth, resulting in increased net interest income for African Banking. Customer deposits increased 11% to £30.6bn (reported) reflecting RBB growth.

Investment Bank

“From our unique position with dual home markets and global reach, we continue to transform the Investment Bank so that we can help our target clients achieve their ambitions.”

Tom King
Chief Executive
Investment Bank

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<tr>
<th>BUSINESS SEGMENT PERFORMANCE</th>
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**Investment Bank**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (£m)</td>
<td>7,572</td>
<td>7,388</td>
</tr>
<tr>
<td>Profit before tax (£m)</td>
<td>1,611</td>
<td>1,377</td>
</tr>
<tr>
<td>Adjusted RoE (%)</td>
<td>5.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Risk Weighted Assets (£bn)</td>
<td>108.3</td>
<td>122.4</td>
</tr>
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</table>

Long-standing relationships with our clients

Barclays had a long-standing relationship with Dell, having advised the Company on a number of capital markets transactions as well as its acquisition of Wyse Technology in 2012. When Dell, together with its owners, Michael Dell, MSD Partners and Silver Lake Partners agreed to acquire EMC Corporation in 2015 for $67 billion, Barclays acted as a financial adviser to Dell and provided financing for the transaction.

This landmark transaction, which represents the largest technology M&A transaction to date, will create the world’s largest privately-controlled technology company with an integrated portfolio positioned to address customers’ rapidly changing IT needs.

Barclays is committed to delivering innovative financial solutions to empower our clients to seize opportunities for growth and tackle the big challenges of the future.
Our purpose
We enable the movement of capital between those who need it, for example to grow their company or build new infrastructure, and those looking to generate a return on investment. In doing so we fund and facilitate global economic growth, helping people to achieve their ambitions.

How the business is structured and what we provide to the Group
Our business is split into three core areas:
- Markets: provides execution, prime brokerage and risk management services across the full range of asset classes including equity and fixed income, currency and select commodity products.
- Banking: provides long-term strategic advice on mergers and acquisitions, corporate finance and strategic risk management solutions, and equity and credit origination capabilities.
- Research: provides multi-asset class and macro-economic research, delivering practical ideas to help our clients make informed investment decisions.

Through this range of business activities we can provide Barclays with a diversity of income and risk, while delivering a full spectrum of advisory, financing and market execution services for our corporate, government and institutional clients.

Environment in which the business operates
The investment banking sector continues to change, driven by regulatory evolution, higher capital requirements and changing client demands. This has resulted in significant differences in the strategic responses from industry peers.

The changes we have made following our strategy update in May 2014 have rebalanced our business mix towards core business lines in which we have competitive strengths and can drive higher returns, while ensuring that we continue to provide a holistic service to our target clients. In January 2015 we announced several complementary initiatives to further support the execution of this strategy (e.g. through certain product and country exits). The investment Bank continues to make progress on earnings, capital and leverage as set out in the strategy update.

Risks to this business model
The market environment remains challenging, marked by uncertain macro conditions and resource constraints. Alongside structural regulatory change, including new capital and leverage requirements, this has put increasing pressure on the Investment Bank’s ability to deliver returns.

Changes resulting from new and impending regulation will continue to impact our business model. In particular, adapting our business framework in response to structural reform will be a key focus over the coming years as we seek to comply with global structural reform plans.

In addition the business continues to face conduct and litigation risk. We continue to strengthen our control environment, evolve our culture and simplify our products in order to minimise these risks.

Examples of innovations/deals this year
During 2015, the Investment Bank executed several transactions that demonstrate its execution capabilities, connectivity to clients and the strength of the franchise. A few notable examples are listed below:
- Barclays acted as a financial adviser to long-term client Teva Pharmaceutical on its $40bn definitive agreement to acquire the Actavis generics business from Allergan.
- Barclays executed BHP Billiton’s $6.45bn equivalent five tranche, three currency hybrid capital security.
- Barclays executed large strategic trades for clients including a large FX trade off the back of Tesco’s Korean business disposal and the structuring and issue of the largest M&N Development equity certificate acquired by the Mexican Pension Funds.

Review of the year
The Investment Bank continues to make progress on its origination led strategy, building on leading positions in our home markets of the UK and US, while driving cost savings and RWA efficiencies. Annual revenues remained resilient at £7.6bn (2014: £7.6bn) and disciplined capital deployment resulted in lower RWAs of £10.8bn (2014: £12.2bn). The PBT for the year improved to £1.6bn (2014: £1.4bn).

We have continued to deliver for our clients by advising on some of the most noteworthy transactions of the year and helping institutional clients navigate the evolving markets landscape.
- Maintained number one position in Greenwich Associates’ annual survey of European fixed income investors for the ninth year in a row.
- Advised on several prominent deals of the year, including some of the largest transactions in Consumer, Technology and Pharmaceutical sectors.
- Named ‘Bond House of the Year’ by IFR magazine in 2015.

Through our business activities, we aim to have a positive impact on our colleagues and the broader communities in which we operate. A few notable results in 2015 are listed below:
- Barclays facilitates the flow of capital towards environmentally and socially beneficial activity with a range of business lines actively involved in delivering solutions across product groups, geographies and industry sectors. For example, the Investment Bank issued more than £5.6bn (at share) of environmental financings that positively contributed to the low carbon economy.
- The Investment Bank participates in a three year rotational apprenticeship programme which runs across a number of areas of Barclays in the UK. Apprentices receive a degree-level qualification and a permanent role upon completing the programme.
- The internal Employee Survey demonstrates the progress we continue to make in transforming the business and culture. The survey results point to significant improvement in sense of personal accomplishment, belief in Barclays’ goals and strategy, and the likelihood of recommending Barclays as a good place to work.

The Investment Bank remains focused on strengthening the Conduct framework. The Conduct Risk committee and the relevant sub-committees ensure conduct considerations are firmly embedded in all business and strategic decisions. In-person and online Conduct Risk training for colleagues is delivered throughout the year.