Balanced Scorecard

‘The Balanced Scorecard is the final crucial piece of our plan – alongside our Purpose and Values – to embed the right culture in our business and become the ‘Go-To’ bank.’

The Balanced Scorecard sets out eight specific commitments across our 5Cs (Customer & Client, Colleague, Citizenship, Conduct and Company) and defines what we need to achieve over the next five years to be well on the way to becoming the ‘Go-To’ bank.

We are committed to monitoring and reporting on our progress annually so that stakeholders can hold us to account. The Balanced Scorecard is supported by strategic initiatives that will drive progress across the 5Cs.

The Balanced Scorecard gives clear strategic context for our colleagues around what becoming the ‘Go-To’ bank will look like and lays out Barclays’ priorities. The Barclays Balanced Scorecard is cascaded into business unit and function scorecards. Together, these provide line of sight to employees to our organisational goal. They also provide a framework and starting point for all employees when setting their individual performance objectives across the 5Cs.

For more detailed information on the Balanced Scorecard, please see barclays.com/balancedscorecard
 Metrics and targets
We have agreed eight key measures against which we and our stakeholders can hold us to account. We are committed to monitoring and reporting on our progress annually.

<table>
<thead>
<tr>
<th>Metric</th>
<th>Actual 2013</th>
<th>Target 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer &amp; Client</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RBB, Barclaycard and W&amp;IM: Weighted average ranking of Relationship Net Promoter Score&lt;sup&gt;a&lt;/sup&gt; vs. peer sets</td>
<td>4th</td>
<td>1st</td>
</tr>
<tr>
<td>CIB Client Franchise Rank: Weighted average ranking of wallet share or customer satisfaction with priority clients</td>
<td>4th</td>
<td>Top 3</td>
</tr>
<tr>
<td>Colleague</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustained engagement of colleagues score</td>
<td>74%</td>
<td>87-91%</td>
</tr>
<tr>
<td>% women in senior leadership&lt;sup&gt;b&lt;/sup&gt;</td>
<td>21%</td>
<td>26%</td>
</tr>
<tr>
<td>Citizenship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Citizenship Plan – initiatives on track or ahead</td>
<td>10/11</td>
<td>Plan Targets</td>
</tr>
<tr>
<td>Conduct</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct Reputation (YouGov survey)</td>
<td>5.2/10</td>
<td>6.5/10</td>
</tr>
<tr>
<td>Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on Equity (Adjusted)</td>
<td>4.5%</td>
<td>&gt; Cost of equity</td>
</tr>
<tr>
<td>Fully Loaded CRD IV CET1 ratio</td>
<td>9.3%</td>
<td>&gt;10.5%</td>
</tr>
</tbody>
</table>

For further information on Balanced Scorecard Methodology and Data Sources please visit barclays.com/balanced scorecard and see the 'Metrics and targets' page

Delivering our strategic targets: Example Strategic initiatives
Here are some examples of strategic initiatives that will drive progress across the 5Cs and support our goal to become the ‘Go-To’ bank.

Customer & Client
- We are using technology to improve our customers’ and clients’ experience and to be responsive to their changing needs, such as through Barclays Mobile Banking, BARX, PayTag and Barclays.Net
- We are making our most important customer and client interactions as simple and instant as possible – putting power in their hands to transact when, where and how they want to
- We are simplifying our products and services and improving what we offer to match customer needs with the right service model

Colleague
- We have launched our Purpose and Values, and we are embedding them into all our HR processes including: recruitment, promotion and performance management
- We are developing and training leaders through the Barclays Leadership Academy and Barclays Global Curriculum
- We are driving a consistent global diversity and inclusion plan resulting in a more visibly diverse talent pipeline

Citizenship
- We are ensuring the way we do business reflects broader societal and environmental considerations
- We are contributing to growth through financing, supporting businesses and ensuring our products and services support sustainable progress
- We are supporting the communities where we operate by helping five million young people to develop enterprise, employability and financial skills

Conduct
- We are following a rigorous and transparent framework on conduct risk reporting and management
- We are using material conduct risk assessments to effectively identify, assess and manage conduct risk
- We are exercising sound judgements to avoid detriment to customers, clients and counterparties or to market integrity

Company
- We are delivering the initiatives across the strategic quadrants: Invest and grow, Reposition, Transition, and Exit
- We are managing costs (rightsizing, industrializing, innovating) and delivering our leverage and capital commitments
- We are improving our controls through the launch of “The Barclays Guide”, which covers how we organise, manage and govern ourselves and includes a new risk management framework

Notes
<sup>a</sup> Net Promoter, Net Promoter Score, and NPS are trademarks of Satmetrix Systems, Inc., Bain & Company, Inc., and Fred Reichheld.
<sup>b</sup> Senior leadership represents the Managing Director and Director corporate grades combined, a population of over 8,000 employees. Under the Companies Act 2006 we are also required to report on the gender breakdown of our “senior managers”. For this purpose, we have 988 senior managers (179 female and 809 male) who include Officers of the Group, certain direct reports of the Chief Executive, heads of major business units, senior Managing Directors, and directors on the boards of subsidiary undertakings of the Company.
Citizenship

Citizenship is a critical part of becoming the ‘Go-to’ bank for all our stakeholders. And, for society, it means we can serve as an enabler for greater, inclusive prosperity for current and future generations. This means taking into account the needs of all our stakeholders and making decisions which, in the long term, are positive for our customers and clients, shareholders, colleagues and the communities in which we operate.

The Barclays Citizenship Plan (the Plan), launched in June 2012 and updated in July 2013, is an evolving set of global commitments organised around three areas where we believe we can have the most impact: The way we do business, Contributing to growth and Supporting our communities.

Engaging with stakeholders

Establishing an on-going dialogue with key stakeholders is an important part of our approach. We connect with stakeholders to share information about our business and strategy, to develop our Citizenship priorities and provide updates on performance, as well as open doors for collaboration and pursuit of common goals. We want to focus on areas that are important to our stakeholders and are strategically aligned to both our business performance and broader social impact.

We recognise there may be stakeholders who still have concerns about the role of banking and Barclays. Striking a balance between the views and needs of all of our stakeholders is a challenge and we may not always get it right, but we are committed to listening and collaborating with all our stakeholders and putting it right when we don’t.

In 2013 we launched a number of platforms to listen and engage with our internal and external stakeholders. We held structured dialogues in London, New York and Johannesburg to better understand their concerns, gather input on Barclays’ Citizenship strategy and performance, and identify opportunities for further dialogue and collaboration. Key themes from the dialogues included the need to define an ambitious vision that reflects the scale of the challenge and the role Barclays will play. In addition, stakeholders are keen to see more evidence of integration into our core business and stressed the importance of leadership and collaboration. Further detail on stakeholder engagement in 2013 is available in our reporting protocol and on our website.

Looking forward

We have taken on board the challenge from stakeholders to build our ambition longer term, and are currently developing our strategy beyond the current 2015 Citizenship Plan. While we have made progress, we recognise we have much more to do and that our 2015 Plan is about foundational activity. We recognise that to be the Go-To bank for all our stakeholders, we must better understand the challenges and opportunities society will face in the long term – looking towards 2020 and beyond.

The global context...

46%
Levels of trust in financial services globally, the lowest across major industry sectors

60%
Percentage of UK business leaders who rate short-termism as a major impediment to growth and development

29
Global Systemically Important Financial Institutions (G-SifIs) in 2013

$2.1-$2.5tr
Total unmet need for credit by all formal and informal micro-SMEs in emerging markets (in 2010)

£84-£191bn
Forecast shortfall in funding required to UK SMEs (2012-2017) to fund working capital and expansion needs

$500 bn/yr
Estimated global annual spending needed on clean energy (to 2020) to restrict global average temperature increase to 2°C

73.4m
Estimated number of young people out of work globally in 2013 (12.6 % or 1 in 8)
While we can’t predict the future, we do know that the world is facing a number of influential shifts – from imbalanced population growth to increased pressure on cities and natural resources to the growing gap between the rich and poor. Addressing these issues will involve trade-offs and require new levels of leadership and collaboration.

That is why in late 2013, we began to engage a wide range of stakeholders with many different perspectives to better understand the challenges society will face in 2020 and begin to build an ambitious vision. As part of this process, we are bringing together people to discuss the future of the socially valued organisation – to share views, challenge and explore underlying drivers of change, debate regional perspectives and begin to build a collective view.

In 2014, we will continue this dialogue, report on progress and continue to develop a bigger, bolder ambition in line with the needs of future generations. This shift to long-term thinking will equip our organisation to be a truly sustainable ‘Go To’ bank for all our stakeholders.

**Citizenship governance**

**Board-level accountability**

In 2013, the Board Citizenship Committee’s remit was broadened to include reputation and operational risk and the way we conduct our business. It was renamed the Board Conduct, Reputation and Operational Risk Committee and retains responsibility for oversight of our Citizenship strategy. See the Annual Report for more information.

**Executive and management oversight**

Our Executive Committee is responsible for managing the delivery of our Citizenship agenda. During 2013, we significantly enhanced our governance structure with the expansion of the Citizenship Leadership Council (CLC), which is comprised of senior leaders from every business and function.

The CLC supports the Executive Committee in fulfilling their objectives and meets monthly to monitor progress against our strategy, oversee the development of new initiatives and drive the integration of Citizenship in day-to-day decision-making.

We have also significantly increased activity across every business and function, including new Steering Committees that have implemented specific business or regional Citizenship strategies. This includes Corporate and Investment Banking and Wealth and Investment Management, as well as an African Leadership Council.

We have a network of experts throughout the organisation to support, monitor and ensure the delivery of our Citizenship objectives in specific areas; for example, our Environmental Risk Management team is part of the overall Risk function. A central Citizenship team works collaboratively with divisional Citizenship leaders, environmental managers, procurement professionals and specialist commercial teams.

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**...and key stakeholder concerns**

**Topics raised during our engagement in 2013**

- Conduct issues and culture change
- Financial performance
- Capital and leverage
- Remuneration
- Customer experience
- Banking reform and systemic risk
- Restructuring

**...shape our approach**

**Barclays Citizenship Plan is focused on three key pillars**

**The way we do business**

Ensure our decisions take account of stakeholder needs in the short and long term

**Contributing to growth**

Deliver product and service solutions to help more people and society progress in a sustainable way

**Supporting our communities**

Help five million disadvantaged young people develop the skills they need to fulfil their potential
In 2013, we embedded delivery against the Plan into the Balanced Scorecard. We track overall performance against 11 metrics based on our 2015 Plan commitments. We introduced three new targets in 2013: attestation to the Barclays Way, our new code of conduct; a global stakeholder survey; and prompt payment for our suppliers. We also committed to a new carbon reduction target of 10% by 2015, against a 2012 baseline.

The Scorecard covers most of our Plan commitments but there are two areas where we do not yet have appropriate metrics and targets – transparency and reducing systemic risk. These are complex themes that are difficult to measure using clear high-level indicators. We will continue to explore options to develop suitable metrics for these objectives in the future.

The dashboard below summarises 2013 performance against our targets. We are on-track to deliver 10 out of 11 targets in 2013 and are making progress against our

<table>
<thead>
<tr>
<th>Plan commitment</th>
<th>Metric</th>
<th>2012</th>
<th>2013</th>
<th>Status</th>
<th>Plan Target 2015 (cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Implement a global Code of Conduct to set clear and consistent expectations of behaviour</td>
<td>'Barclays Way' Code (% employees attested)</td>
<td>New</td>
<td>85%</td>
<td>X</td>
<td>97%</td>
</tr>
<tr>
<td>2. Ensure material business decisions reflect stakeholder considerations</td>
<td>Citizenship Reputation (YouGov survey)</td>
<td>New</td>
<td>4.9/10</td>
<td>√</td>
<td>6.5/10</td>
</tr>
<tr>
<td>3. Proactively manage the environmental, social &amp; governance impacts of our business</td>
<td>Global carbon emissions (tonnes CO2 % reduction y-o-y)</td>
<td>New</td>
<td>-5.2% ▲</td>
<td>√</td>
<td>-10%</td>
</tr>
<tr>
<td></td>
<td>% suppliers paid on time (45 days, by value)</td>
<td>New</td>
<td>83%</td>
<td>△</td>
<td>85%</td>
</tr>
<tr>
<td>4. Be market leading on transparency – being as open as possible about how we do business</td>
<td>No suitable metrics available</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Minimise our broader systemic risk to the economy and society</td>
<td>No suitable metrics available</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Contributing to growth

<table>
<thead>
<tr>
<th>Plan commitment</th>
<th>Metric</th>
<th>2012</th>
<th>2013</th>
<th>Status</th>
<th>Plan Target 2015 (cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Leverage our products, capital, networks and expertise to drive sustainable progress</td>
<td>New and renewed lending to households (£bn)</td>
<td>£33.4bn</td>
<td>£34bn</td>
<td>√</td>
<td>£150bn</td>
</tr>
<tr>
<td></td>
<td>New and renewed lending to SMEs (£bn)</td>
<td>£11.1bn</td>
<td>£134bn</td>
<td>√</td>
<td>£50bn</td>
</tr>
<tr>
<td></td>
<td>Assist in raising financing for businesses and governments (£bn)</td>
<td>£830bn</td>
<td>£840bn</td>
<td>√</td>
<td>£2000bn</td>
</tr>
<tr>
<td>7. Help more businesses to start-up and grow</td>
<td>Number of SMEs supported with seminars, tools and training</td>
<td>36,000</td>
<td>59,000</td>
<td>√</td>
<td>120,000</td>
</tr>
<tr>
<td>8. Improve youth employability</td>
<td>Number of apprenticeships at Barclays</td>
<td>486</td>
<td>667</td>
<td>√</td>
<td>2000</td>
</tr>
</tbody>
</table>

### Supporting our communities

<table>
<thead>
<tr>
<th>Plan commitment</th>
<th>Metric</th>
<th>2012</th>
<th>2013</th>
<th>Status</th>
<th>Plan Target 2015 (cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Deliver £250 million of investment in community programmes</td>
<td>Investment in community (£m)</td>
<td>£64.5m</td>
<td>£72m</td>
<td>√</td>
<td>£250m</td>
</tr>
<tr>
<td>10. Help build the enterprise, employability and financial skills of five million 10 to 35 year olds</td>
<td>Number of 10-35 year olds supported in building skills</td>
<td>1.21m</td>
<td>1.22m</td>
<td>√</td>
<td>5m</td>
</tr>
</tbody>
</table>

▲ Within KPMG’s limited assurance scope. Please see page 49.
2015 goals. Further detail on performance is available in the following sections of this report.

We are keen to enhance our approach to measuring performance and adopt more innovative ways to measure the wider outcomes and impacts of our activity.

However, we also need to strike a balance between innovative metrics with the ability to credibly gather and verify data. We need reliable tracking mechanisms with robust controls.

**Definitions and reporting processes**

Reporting on non-financial metrics does not yet have the same rigour and standardised definitions that apply to financial reporting.

We publish a reporting protocol, which sets out definitions and assumptions for our key metrics, and outlines data collection and verification processes.

**Commentary**

Off-track against our full completion target, we will aim to improve attestation rates in 2014

85%

Employees attested to the Barclays Way

On-track against our 2018 goal based on surveys run in 2013

4.9/10

Score based on global stakeholder survey

On-track to meet 2015 target to reduce by 10% against a 2012 baseline

5.2%

Reduction in global carbon emissions

On-track to meet 2015 target, currently only tracked for UK spend, expanding global coverage

83%

Suppliers paid on time

We have increased disclosures on key topics and will continue to explore suitable metrics.

We have developed Resolution and Recovery Plans and will continue to work with relevant authorities.

**Cumulative 2012 and 2013 performance against 2015 commitments**

<table>
<thead>
<tr>
<th>Metric</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-track against target, expect increases in 2014 and 15</td>
<td>£33.4bn</td>
<td>£14bn</td>
<td>£6.74bn</td>
<td>£150bn</td>
</tr>
<tr>
<td>On-track to meet 2015 target, lending grew in 2013</td>
<td>£11.1bn</td>
<td>£13.4bn</td>
<td>£24.5bn</td>
<td>£50bn</td>
</tr>
<tr>
<td>Ahead of target, total volume raised relatively stable year-on-year</td>
<td>£30bn</td>
<td>£340bn</td>
<td>£16.7bn</td>
<td>£2,000bn</td>
</tr>
<tr>
<td>Ahead of target due to increased activity in Africa and the UK</td>
<td>36,000</td>
<td>59,000</td>
<td>-95,000</td>
<td>120,000</td>
</tr>
<tr>
<td>On-track for meeting 2015 commitment on 2,000 apprenticeships in the UK</td>
<td>486</td>
<td>667</td>
<td>1,133</td>
<td>2,000</td>
</tr>
<tr>
<td>On-track, improved data quality and inclusion of South African donations in 2013</td>
<td>£64.5m</td>
<td>£72m</td>
<td>£136.5m</td>
<td>£250m</td>
</tr>
<tr>
<td>On-track, improved data quality and tracking of beneficiaries from key programmes</td>
<td>1.21m</td>
<td>1.22m</td>
<td>2.43m</td>
<td>5m</td>
</tr>
</tbody>
</table>