



Barclays PLC
Fair Pay Report 2022

Prepared for the road ahead



Contents

Our Fair Pay Report forms part of the Barclays PLC annual reporting suite.

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Introduction

Ensuring our colleagues continue to be paid fairly and appropriately in challenging times.

Progressing our Fair Pay Agenda

At Barclays, we firmly believe that our success as a company is intrinsically linked to the wellbeing of the people who work here and fair pay is central to that. We serve millions of customers and clients, and through our longstanding experience we know just how important financial wellbeing is to wellbeing overall. With the rising cost-of-living, our commitment to fair and appropriate pay for our employees is more important than ever.

This year, we have continued our work on this and as a result we were well positioned to take rapid action to support colleagues in response to sharp increases in the cost of living, through pay increases for our lowest paid colleagues. We also factored in cost inflation during the annual salary review impacting 2023 salaries.

As part of our commitment to fair pay for the lowest paid, we continue to exceed living wage benchmarks in every location in which our employees are based. We are always striving for greater transparency in our approach to pay, and as part of this during 2022 we simplified the reward structure for some of our lowest paid colleagues in the UK and US. As we reviewed our Directors' remuneration policy, which we will submit to shareholders for approval at our 2023 AGM, we have ensured we maintain appropriate alignment to wider workforce pay policies.

Through our wellbeing programme 'Be Well' and our Employee Resource Groups, we provided additional support for our colleagues in all geographies. Colleagues continue to have access to our employee assistance programme, which provides specialist and confidential support, helping to overcome personal or workplace challenges..

We continue to review and enhance our performance management cycle, as we recognise its importance in driving our success and enabling sustainable performance. Rewarding sustainable performance is a key lens on how we make our variable and fixed pay decisions each year. This year, our pay decisions took into account a number of important considerations, such as the strong income performance across our three operating businesses, delivery against our targets in 2022 and how colleagues have adapted to the rapidly changing external environment to support our clients and customers, and we are confident that we continue to pay in a way that aligns with the expectations of our stakeholders.

As a company, we strive for excellence in everything we do, from driving outcomes for our customers and clients through to supporting colleagues to fulfil their potential. We will continue to review our approach to fair pay to ensure that our proposition remains compelling and transparent for our colleagues of today and tomorrow.

[+ More details can be found within the report and we hope you find it informative](#)

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We are confident that we continue to pay in a way that aligns with the expectations of our stakeholders.

Brian Gilvary
Chair, Barclays PLC
Remuneration Committee (left)

Tristram Roberts
Group Human Resources Director
(right)



Introduction

Fair pay and the cost-of-living

Our approach to fair pay ensured that we were well positioned to take action to support colleagues in response to sharp increases in the cost of living.

Supporting our lowest paid colleagues with the rising cost-of-living through pay increases

What we did in 2022

- We brought forward part of the 2023 pay increase, awarding most of our more junior colleagues in the UK a £1,200 salary increase effective from August 2022, ahead of our annual salary review, which will take effect from March 2023.
- Similarly, we brought forward part of the 2023 pay increase for our most junior colleagues in Belgium, France, Ireland, Italy, Luxembourg, Netherlands, Portugal and Spain. They were awarded €1,500 effective 1 November 2022.
- In November, we awarded junior colleagues in Germany a one-off payment of €2,000 as that was more appropriate under local rules.

Increases effective from 2023

Cost inflation was one of the considerations in the annual salary review process, with pay increases provided for our lowest paid colleagues in all locations effective from March 2023.

- UK: We worked with Unite, our recognised UK trade union, to agree a total annual salary increase budget of 11% for our lowest paid colleagues, and we are increasing our UK full time equivalent minimum salary to £22,250 from 1 March 2023.
- US: A salary increase budget of 9% for our lowest paid colleagues, and from March 2023, colleagues will be paid at least \$22.50 per hour.
- India: A salary increase budget of 10% for our lowest paid colleagues to keep in pace with local market pressures.
- Rest of the world: We continue to exceed living wage benchmarks in all locations.



With the rising cost-of-living, our commitment to fair and appropriate pay for our employees is more important than ever.

Brian Gilvary

Chair, Remuneration Committee

Tristram Roberts

Group Human Resources Director

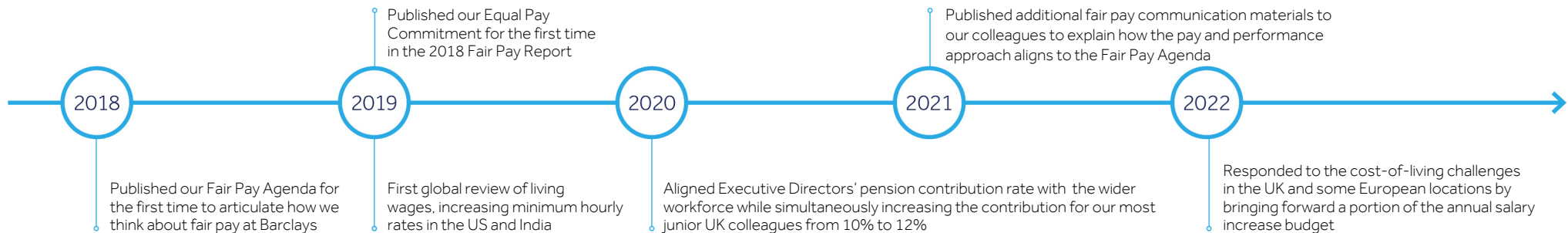
Supporting wellbeing

We offer colleagues support with mental health, financial wellbeing and other wellbeing topics, and provide colleagues with the skills and knowledge to enhance their physical and mental fitness.

At a glance

We developed our fair pay approach over a number of years and we continue to ensure that fairness is a key, and explicit, consideration in the way we make all of our pay decisions.

Key milestones: Five years of fair pay reporting



2022 achievements

Fair pay for the lowest paid

Paying fairly for work done, in a simple and transparent way.

- Continued to progress our work on global living wages, reviewing all our locations around the world to ensure we pay at least the living wage
- Responded to cost-of-living challenges by bringing forward part of the 2023 pay increase budget, awarding our most junior colleagues in the UK and in some European countries a salary increase effective from August 2022 and November 2022 respectively
- Simplified incentives for colleagues in US contact centres by replacing four historical plans with a single, consistent and more transparent approach
- Introducing a simpler and more transparent approach to pay for most junior UK roles from March 2023

Equal opportunities to progress

Providing equal employment opportunities to all, so everyone can enjoy a successful career at Barclays.

- Enhanced our continuous performance management cycle to focus on two of our global priorities, Diversity, Equity and Inclusion, and Risk and Control, through communication and eLearning
- Reinforced the right behaviours through our recognition programme, with a colleague being recognised on average every 45 seconds in 2022
- Achieved our Race at Work Ambition to double the number of Black Managing Directors by the end of 2022
- Set a new Race at Work Ambition to increase the population of Managing Directors from underrepresented ethnicities by at least 50% by the end of 2025

Engaging with colleagues

Engaging with colleagues to understand their views on the culture of the organisation and enabling the representation of employees in our remuneration decision-making process.

- Engaged with Unite the union on a range of topics including cost-of-living, fair pay, and agreed a 2023 UK pay deal providing our lowest paid colleagues a total annual salary increase budget of 11%
- Published additional fair pay information for colleagues to explain how the Group's pay and performance approach aligns to the Fair Pay Agenda
- Our Inclusion Index measures how included our colleagues feel. For 2022 it is 82%, up from 79% in 2021
- Our Wellbeing Index measures how colleagues feel about their wellbeing. For 2022 it is 86%, up from 84% in 2021

Alignment of employee and Executive Director pay

Linking both Executive and employee pay to sustainable business performance.

- Our pay policies are strongly aligned across the wider workforce, senior employees and Executive Directors of Barclays PLC
- Where pay policies differ, this is aligned to differences in seniority and ability to influence business performance
- Pay outcomes continue to be aligned with financial and non-financial performance
- 2023 total annual salary increase budget for the most junior colleagues in the UK is 11%, US is 9% and India is 10%. The budget for more senior employees was smaller. The Group Chief Executive and Group Finance Director will receive 3.4% and 4.3% respectively

Equal pay commitment

Rewarding employees fairly for their contribution and making sure pay and performance decisions never take into account any protected characteristics.

- Explicit communication to managers that pay decisions must not take into account gender, age, ethnicity, disability, sexual orientation, religion, marital status, pregnancy, maternity, parental leave or any other protected characteristic
- All grievances raised by employees, including any issues relating to pay, are investigated
- Robust processes in place to review pay and performance decisions to ensure outcomes remain fair and free from bias

Fair pay for the lowest paid

Fair pay means paying the right salary, awarding the right incentives, providing the right benefits, and delivering the right level of support in the workplace.

Key milestones: enhancing our approach to deliver fair pay for the lowest paid



For fair pay to be effective, it must be done in a way that is simple and transparent for our employees. During 2022, we supported colleagues in many jurisdictions to navigate an increase in living costs. We also reviewed different aspects of our pay approach for our lowest paid colleagues and found opportunities for enhancements.

Living wage review

Paying at least a living wage to our colleagues is at the heart of our Fair Pay Agenda. In the UK, our minimum rate of pay is moving to £12.23 per hour from 1 March 2023, 12% above the 2023 Real Living Wage set by the Living Wage Foundation. This is part of the 2023 pay deal for c.41,000 employees with a total annual salary

increase budget of 11% for our lowest paid colleagues. In addition, our minimum starting salary will increase to £22,250 from 1 March 2023, an increase of more than 33% in four years.

In the US, we reviewed the pay of our lowest paid colleagues resulting in a salary increase budget of 9%. From March 2023, colleagues will be paid at least \$22.50 per hour. In India, our lowest paid colleagues will receive an average increase of 10% from March 2023. In all other locations, we continue to exceed the benchmarks set by the Fair Wage Network for each country.

Exceeding the living wage in key locations

We pay more than the living wage in all locations. Below are the minimum hourly rates from March 2023 for UK, US and India, which covers c.90% of our global population.

£12.23

UK
2022: £11.00

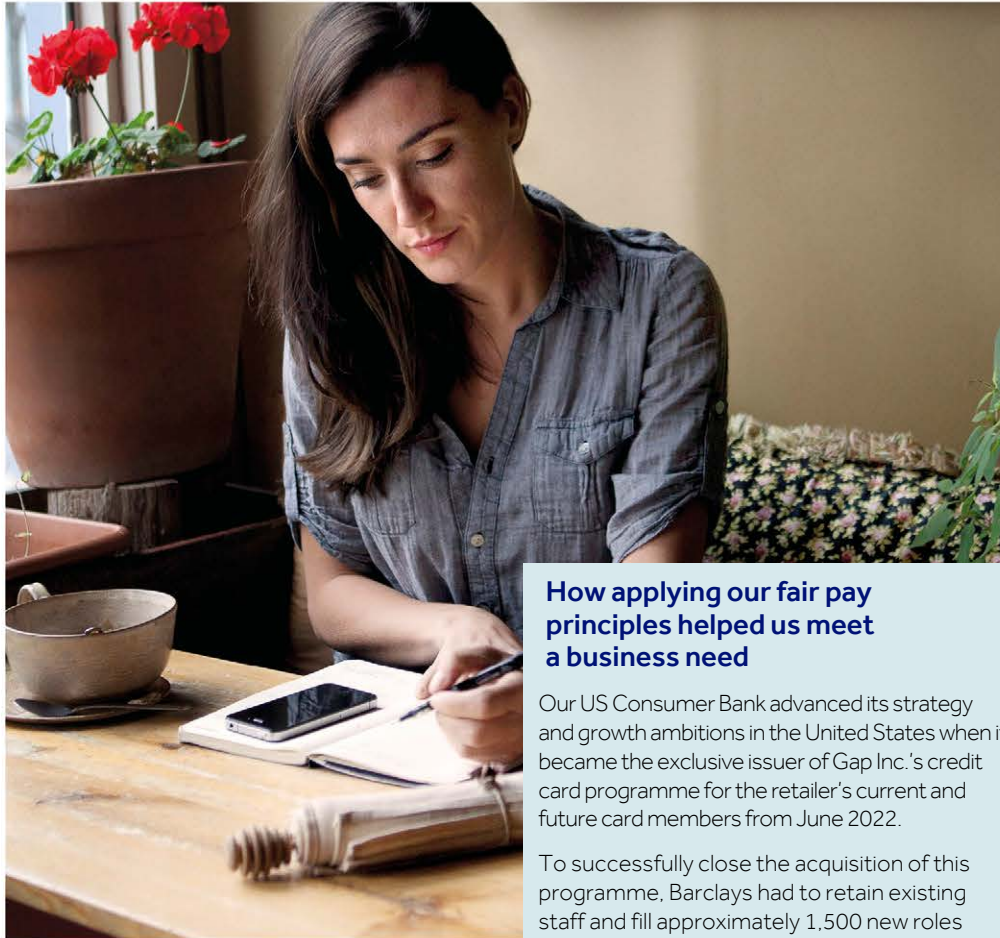
\$22.50

US
2022: \$20.50

₹143.00

India
2021: ₹140.00

Fair pay for the lowest paid (continued)



How applying our fair pay principles helped us meet a business need

Our US Consumer Bank advanced its strategy and growth ambitions in the United States when it became the exclusive issuer of Gap Inc.'s credit card programme for the retailer's current and future card members from June 2022.

To successfully close the acquisition of this programme, Barclays had to retain existing staff and fill approximately 1,500 new roles within a year. Two thirds of these roles were lower-paying contact centre roles.

As part of our commitment to fair pay for the lowest paid, each year we review our alignment with local market wages and commit to paying at least a living wage.

Simplifying pay in the UK

From March 2023, for our most junior roles in Barclays UK and support functions, pay levels and annual increases will be determined by role type, bonus approaches will be harmonised for future years, and starting salaries will be published. This is simpler and more transparent, making it easier for colleagues to understand how their pay is set and managed.

Our medical offering

Our commitment to our lowest paid employees extends beyond pay; we provide access to a comprehensive package of benefits to support our colleagues' health, financial wellbeing, and lifestyle.

In our key jurisdictions including UK, US, India, Singapore, and Hong Kong, we continue to

As a result of this, in 2022 we increased our minimum wage from \$17 per hour to \$20.50 per hour, and we further improved the salary proposition for other junior colleagues. This placed us in a strong position to retain and recruit for the Gap programme.

In addition, we reviewed our benefit proposition to ensure it was competitive and reviewed our recruitment marketing to ensure it was appropriately tailored, specifically to attract and retain the junior colleagues required to onboard and manage the Gap programme.

Junior colleagues working on the Gap programme in our contact centres have also benefitted from our simplification of incentives in US contact centres. The new incentive plan is notably more inclusive, meaning more colleagues earn incentives on the new plan compared to the old plans.

provide access to remote GP services for all colleagues, regardless of seniority.

During 2022, in India we increased our health coverage ensuring that our colleagues' contributions are more affordable for our junior staff, with a decrease in cost of c.16%. Advanced treatment cover has been increased by 40% and aggregate limits have been removed for all medical treatments. In addition, we have extended the cover on hearing aids, and cochlear treatments.

In the US, we introduced a new medical option from January 2022, providing more predictable out-of-pocket costs for certain types of care and lower monthly contributions. This is especially beneficial to our lowest paid colleagues, who can take advantage of the financial protections available through the benefit design and lower monthly payroll costs when they select this option. In addition, colleagues have access to a new comprehensive fertility benefit, combined with personalised support from leading fertility specialists and the latest advancements in science and technology to improve the patient journey and outcomes.

In the UK, we extended our medical cover in April 2022 to include support to establish a diagnosis for neurodiverse conditions (autism spectrum disorders, attention deficit hyperactivity disorder, dyslexia and dyspraxia). For colleagues, a diagnosis can help to inform whether any Barclays workplace adjustments may be appropriate. We also introduced cover for the treatment of menopause symptoms when referred by a GP to a specialist, and provide colleagues and/or their partners access to support and information from expert practitioners, video consultants, peer support groups and monthly live events. From April 2023, we are improving our cover for gender dysphoria to include diagnosis, endocrinology consultations and counselling through Stronger Minds.

Fair pay for the lowest paid (continued)

Wellbeing and mental health

Mental health and wellbeing continue to be a major focus in our efforts to support colleagues, with 90% of colleagues (up from 88% last year) telling us that they feel their manager supports their efforts to maintain wellbeing.

We were one of the first global businesses to sign Thrive Global's pledge and the Mental Health at Work Commitment to continue prioritising employee mental health and wellbeing, and we continue to deploy Mental Health Awareness as required eLearning for all colleagues.

Our Be Well programme strategy has evolved to provide colleagues with the skills and knowledge to enhance their physical and mental fitness with a continued focus on healthy habits as well as building confidence to address the stigma and offer support around mental health, financial wellbeing and other wellbeing topics. Colleagues continue to have access to our employee assistance programme, which provides specialist and confidential support, helping to overcome personal or workplace challenges.

Supporting colleagues in a hybrid environment

The health and safety of our colleagues is of paramount importance to us, and this has informed our approach to hybrid working. In all our locations, colleagues have returned to the office with varied hybrid working patterns, based on business and individual needs. To enable the transition to hybrid working, during 2022 we provided support to all people leaders across the bank, providing practical guidance on how our colleagues can benefit from the flexibility to manage their own individual circumstances, as well as the needs of our customers, clients, and businesses.

To further support colleagues, we are transforming many of our office spaces, so they are even better places to come together to collaborate. We will continue to learn about what works best for our colleagues, customers and clients, and continue adjusting our practices as appropriate.

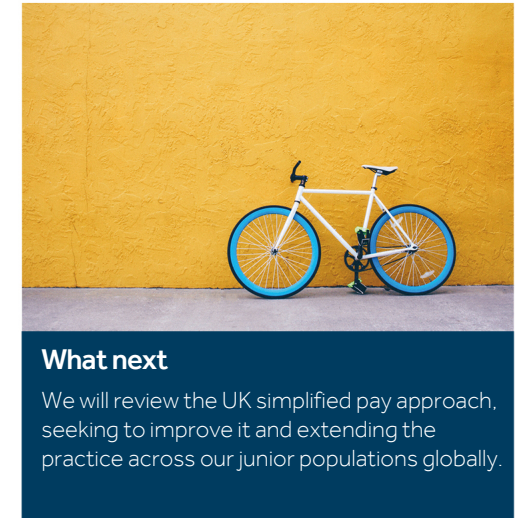
Supporting colleagues to help protect the environment

Barclays has set out its ambition to be a net zero bank by 2050, across all our direct and indirect emissions, and at the beginning of 2022 we outlined our strategy and targets to achieve this ambition. From late 2021, we relaunched our salary sacrifice car scheme as an electric vehicle scheme, offering all our UK colleagues the opportunity to help protect the environment by providing access to a tax efficient all-electric car leasing scheme.

In 2022 we joined EV100, a global initiative bringing together companies committed to accelerating the transition to electric vehicles, and we made a commitment to transition all our UK fleet to electric vehicles by 2025 and across the rest of the world by 2030. We have also launched Go Green, a new online and app enabled initiative to support our net zero ambition and help colleagues manage and reduce their individual carbon footprint, both in the workplace and at home.

For colleagues who prefer to cycle, the Bike4work scheme is also available in some jurisdictions where colleagues can purchase a bike or e-bike at a market competitive price.

+ To read more about how Barclays climate strategy is helping to protect the environment, please refer to the Society section of the Barclays Annual Report 2022



What next

We will review the UK simplified pay approach, seeking to improve it and extending the practice across our junior populations globally.

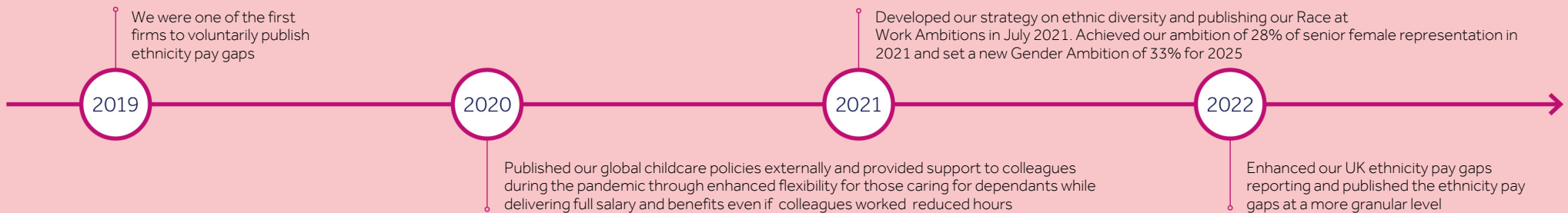


90% of colleagues tell us that they feel their manager supports their efforts to maintain wellbeing.

Equal opportunities to progress

Barclays is an equal opportunities employer. This means we want to recruit, recognise, reward, and retain talented individuals from all backgrounds. Every employee should be able to enjoy a successful career at Barclays and progress through the organisation. Employees have the potential to earn more as they progress and become more senior, and so ensuring that all our people have equal opportunities to progress is an important part of our Fair Pay Agenda.

Key milestones strengthening our processes, ensuring that colleagues have an equal opportunity to progress



Enhancing our performance management approach

The continuous performance management (CPM) cycle is designed to inspire, develop, and support successful performance, while embedding our Values and Mindset into our ways of working through regular performance conversations. Year-end performance ratings are a factor that feeds into how colleagues are rewarded and can influence how they progress through the organisation.

In 2022, we further enhanced the focus of two of our global priorities, Diversity, Equity and Inclusion (DEI), and Risk and Control by strengthening our messaging around how colleagues and managers can continue to embed these into our CPM approach.

The global objectives focussed on Risk & Control and DEI are cascaded to all colleagues at the start of the performance year. We have leveraged our ongoing performance communications and eLearning programme to emphasise the importance for all colleagues to show how they demonstrate these global priorities by strengthening our control environment and helping to embed an inclusive and supportive culture.

We have continued to focus on building manager capability within our performance approach. We have used manager guidance and training to reinforce the need to ensure progress against our global priorities is discussed in ongoing performance conversations and considered at year-end as part of a fair and balanced assessment of performance, reflected in ratings as well as year-end manager write-ups.

Reinforcing the right behaviours through recognition

Recognition is a key channel of performance feedback in relation to how a colleague has demonstrated our Values and Mindset. In 2021, the "Recognition at Barclays" platform was launched, giving colleagues a simplified and more user-friendly opportunity to celebrate colleagues' contributions and create visible recognition moments.

During 2022, the focus has been on embedding the platform throughout the organisation and improving how colleagues recognise one another at Barclays. Approximately 85,000 (89%) colleagues have activated their accounts and over one million thank you's have been received through the platform since its launch in 2021 and a colleague was recognised on average every 45 seconds in 2022. The use of the platform has broadened, and we have driven engagement through various planned communication campaigns, including using the platform to support the DEI agenda and a continued focus on Mindset.

Equal opportunities to progress (continued)

Diversity, Equity and Inclusion at Barclays

In 2022, we launched our refreshed Diversity, Equity and Inclusion (DEI) vision and strategy to our colleagues and the community.

We introduced Equity in recognition that people start life on different footings. Equity means that we will provide focused, targeted and sometimes different support that will address imbalances.

Our vision is to strengthen our diverse, equitable and inclusive culture in a way that enables all our colleagues, customers, clients and communities to grow. This will help us to attract and retain the best talent, building high-performing teams that generate better outcomes for our customers and clients, and meet the expectations of our regulators, shareholders and other stakeholders.

Our guiding DEI principles of accountability, transparency and engagement remain, and they underpin our five strategic priorities: Workforce diversity; Inclusive and equitable culture; Leadership accountability; Data transparency and accountability; and Optimisation of external relationships.

Our vision and our guiding principles help us to deliver against our six core agendas – disability, gender, LGBT+, multicultural, multigenerational, and socio-economic.

A summary of each strategic priority is provided in this report, with further details set out in our 2022 DEI Report.

+ More information on Diversity, Equity and Inclusion can be found on home.barclays/diversity

Workforce diversity

Strategic priority

Attracting and hiring a diverse workforce reflective of the diversity of the communities in which we operate

2022 focus

- Develop diverse talent pipelines
- Provide colleagues with the tools and support they need to succeed and progress at every stage of their career

Progress in 2022

- Continued support for our internal programmes, such as the Military Talent Scheme in the UK and Hiring our Heroes in the US, which supports active duty service members to take up secondment opportunities at Barclays, resulting in over 60 individuals securing roles in 2022
- Black Professionals Resource Group (BPRG) launched Ascent, a six-month learning journey and group mentoring programme to support the progression of junior Black colleagues in the US and UK. Ascent is the first development programme conceived of and delivered by one of our Employee Resource Groups
- In November 2022, we revised and relaunched Launchpad, a career accelerator programme for female colleagues and colleagues from under-represented ethnicities

Inclusive and equitable culture

Strategic priority

Strengthen our inclusive and equitable culture through the colleague experience that retains our diverse talent and ensures equity of opportunity

2022 focus

- Obtain colleague feedback through our Continuous Listening strategy
- Use colleague feedback to help us assess our progress against our DEI objectives

Progress in 2022

- In January 2022, the diversity networks were relaunched as Employee Resource Groups to amplify the unique challenges of diverse groups at Barclays, providing insight into colleague sentiments and experience
- We added two new features to our internal phonebook, so colleagues can opt to display their personal pronouns and the phonetic spelling or an audio recording of their name. We partnered with Microsoft, as they responded to our request to develop a pronoun feature on Teams
- Branch colleagues in the UK are now able to add to their name badges their pronouns, markers indicating health conditions and flags denoting spoken languages
- We continue to provide support to colleagues to balance their life and work commitments, including access to specialist support on a range of topics such as child and disability care in the UK and support with childcare in the US

Equal opportunities to progress (continued)

Leadership accountability

Strategic priority

Ensure leaders are accountable for DEI progress

2022 focus

- Enable leaders to be passionate and visible advocates for the DEI agenda, shape its priorities and deliver against objectives

Progress in 2022

- A member of the Group Executive Committee has been appointed accountable executive for each one of the six core DEI agendas, helping to shape its priorities and delivering against objectives
- Since 2021, we have run an annual Inclusion Summit to mobilise senior leaders around DEI strategy. The 2022 Summit had over 1,000 attendees, 71% of whom agree or strongly agree that Barclays has made meaningful progress on inclusion since the 2021 Summit
- The annual and long-term incentive outcomes of the Barclays PLC Executive Directors' are linked to performance against the Gender and Race at Work Ambitions
- Every colleague has a mandatory DEI objective that is assessed as part of our Continuous Performance Management (CPM) process

Data transparency and accountability

Strategic priority

Deliver DEI strategy through transparent and data-driven insights

2022 focus

- Develop internal capabilities to better collect, analyse and leverage data

Progress in 2022

- To provide senior leaders with more in-depth information assessing their team's performance against our Race at Work and Gender Ambitions, we enhanced our monthly management information to include a more detailed breakdown of progress
- We reviewed our Your View employee surveys through a DEI lens to understand if there are any additional support requirements for different groups of people
- To keep colleague data up to date, we run campaigns periodically to encourage colleagues in key jurisdictions to review and share their DEI data on HR systems (respecting local privacy laws), to deepen our DEI analytics and reporting

Pay Gaps reporting

We continue to publish our UK gender and ethnicity pay gaps. Full details are set out in our summary UK Pay Gaps 2022. We also published our Ireland pay gaps for the first time in December 2022.

+ Full details of the 2022 UK gender and ethnicity pay gaps and the 2022 Ireland gender pay gaps can be found on home.barclays/diversity

Optimisation of external relationships

Strategic priority

Optimise our external relationships to challenge our thinking and enable further change and growth

2022 focus

- Leverage our relationships to access diverse talent and build an inclusive environment

Progress in 2022

- Relationships with organisations such as the Business Disability Forum, Disability Confident, and Disability:IN help us make our workplace and policies more inclusive, whilst providing resources and support to colleagues with disabilities, neurodiversity, and mental health conditions
- Partners such as COQUAL, Thurgood Marshall College Fund, and RARE UK amongst others provide us with platforms to connect with diverse talent
- Working with organisations such as Working Families, Carers UK, and the UK Socioeconomic Taskforce are helping us become the employer of choice for talent across all generations and socioeconomic backgrounds



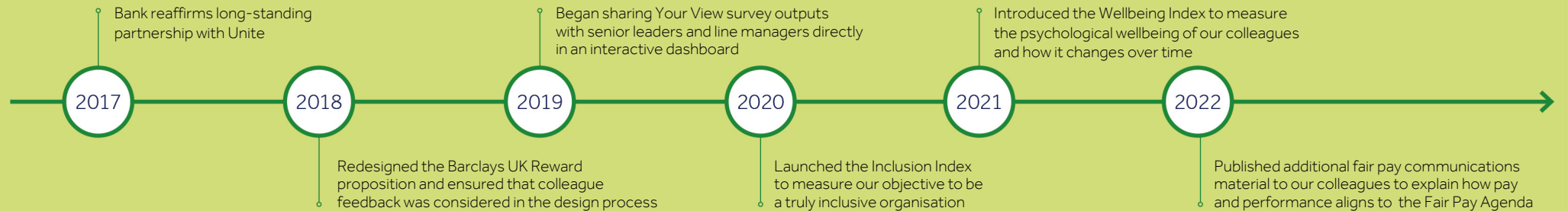
What next

We will continue to review our pay, performance and recognition processes against our five strategic DEI objectives to ensure that we can attract, retain, reward and promote diverse talent through the organisation.

Engaging with colleagues

We engage with colleagues to understand their views on the culture of the organisation through our Your View surveys, union and works council engagements and townhalls. Our ongoing engagement with Unite, our recognised UK trade union, enables the views of colleagues to be shared directly with senior leaders to inform decision-making.

Key milestones: strengthening our approach on how we engage with colleagues



Partnership with Unite

During 2022, Barclays continued to engage constructively with Unite, our recognised UK trade union, which represents 83% of our UK workforce (which equates to 43% of our global workforce). We discussed with Unite our approach to pay, our Fair Pay Agenda and how we are helping colleagues navigate the cost-of-living crisis.

Effective 1 August 2022, Barclays increased by £1,200 the full-time equivalent annual pensionable salary for 35,000 more-junior UK employees in customer-facing and support roles, bringing forward part of the March 2023 annual pay review. We worked closely with Unite to agree a 2023 UK pay deal for c.41,000 colleagues, that combined with those August increases, brought the total salary increase budget to 11% for our lowest-paid colleagues, or 6.75% for other union-recognised colleagues.

In addition, we agreed to increase the starting salary in the UK to £22,250 from 1 March 2023, an increase of more than 33% over four years and exceeding the Living Wage Foundation benchmarks. The deal reinforces Barclays' commitment to provide competitive and fair pay in the context of the unusually high living costs experienced by our UK colleagues.

Barclays introduced a monthly forum in Q2 2022 for engagement with Unite on the transition to hybrid working; this included a Unite survey of its members views on homeworking.

Unite is a supporter of our DEI strategy and approach, and its representatives met the heads of the Employee Resource Groups in the UK, and attended the Bank's 2022 Inclusion Summit. In addition, Unite representatives regularly meet with management to share insights on Speak Up issues, with a view to identifying how we can continue to strengthen our Speak Up culture.

Barclays engaged early and consulted extensively with Unite on a number of workforce change programmes. By actively working in partnership with Unite, we explored opportunities for redeployment, relocation support, voluntary redundancy and policy considerations, to ensure that colleagues were fully supported through the period of change. In 2022, this included the launch of an enhanced mobility service to further mitigate redundancies across the organisation, pre-deploying colleagues into roles commensurate with their skills and experience, upskilling colleagues where required.



During 2022, Unite worked closely with Barclays to support colleagues facing significant cost-of-living pressures. The pay deal for 2023 – including the new starting salary of £22,250 – provides lower paid colleagues with greater financial security and makes further good progress on our shared Fair Pay Agenda

Dominic Hook,
Unite National Officer

Engaging with colleagues (continued)

Monitoring colleague wellbeing

Our data-led approach, underpinned by our Wellbeing Index (now in its second year), brings together actionable insights for managers on addressing areas of risk. It also supports us in curating expert content for colleagues that is grounded on clinical evidence to help them better manage their own health. In 2022 our Wellbeing Index increased from 84% to 86%.

Embedding an inclusive environment

Our Inclusion Index, also part of Your View, launched in 2020, allows us to measure how included our colleagues feel and gives us a benchmark for monitoring progress year on year. Our overall Inclusion Index for 2022 is 82% (up from 79% in 2021). We continue to embed inclusion in the organisation by ensuring that all colleagues have a DEI objective and that their inclusive and supportive behaviours are considered as part of the continuous performance management process.

Communicating pay

To communicate pay to colleagues in a clear way, each colleague receives a Compensation Profile that details their fixed pay and incentives for the previous year and the fixed pay for the new year. Payslips are available to colleagues for each pay cycle (typically monthly).

We continue to extend our communications materials for colleagues to explain how our pay, performance and benefits approach supports our Fair Pay Agenda. These materials help colleagues understand the benefits that Barclays provides so that they can make the most of what is on offer. In some geographies we offer colleagues a choice to tailor benefits to their personal needs.

The employee materials include a description of how the pay policies and practices for our Executive Directors is aligned with the pay policies and practices for our wider workforce. Colleagues have channels to easily provide feedback to help us identify if there are frequently asked questions or any other need for additional information, explanation or support.

What next

We will continue to review how we engage with colleagues and seek to improve the channels by which colleagues can provide input to our remuneration decision making processes.



What our colleagues told us in 2022

82%

Inclusion index score
2021: 79%

84%

Senior leadership is truly committed to building a diverse workforce
2021: 82%

86%

My work provides me with a sense of personal accomplishment
2021: 83%

86%

Wellbeing index score
2021: 84%

79%

Everyone has equal opportunities to progress in their career, regardless of background
2021: 76%

84%

I have been able to balance my personal and work demands
2021: 83%

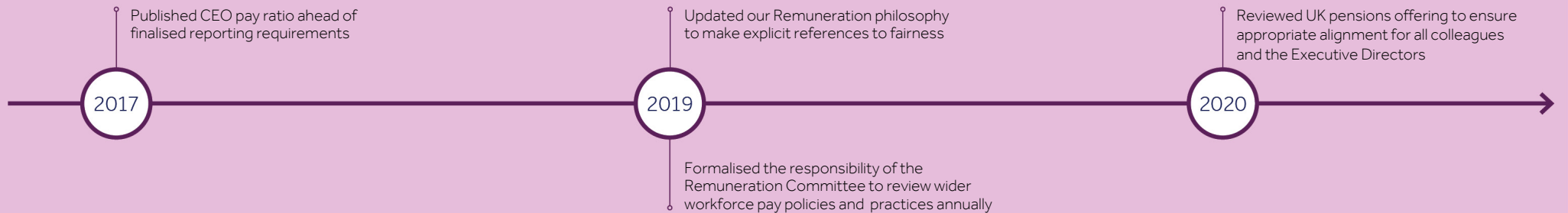
88%

I feel included in/within my team
2021: 88%

Alignment of employee and Executive Director Pay

A key element of our remuneration philosophy is rewarding sustainable performance, and this applies just as much to our Executive Directors as it does to other employees across the Group.

Key milestones: aligning employee and Executive Director remuneration policies and approach



Appropriate alignment

Sustainable performance means making a positive and enduring difference to investors, customers and communities, taking pride in leaving things better than we found them and playing a valuable role in society. To ensure that we reward this appropriately, we review performance through financial and non-financial lenses, and assess individual performance both on "what" is achieved and "how" it is achieved. This approach applies equally to executives, senior management and all other employees.

The Barclays PLC Board Remuneration Committee ("Committee") reviews our policies and practices annually to ensure that they continue to align with our Purpose, Values, Mindset and conduct expectations, as well as our remuneration philosophy and Fair Pay Agenda.

The Committee also reviews how pay policies are aligned between the wider workforce and the Executive Directors of Barclays PLC, which is summarised in the table on page 14.

During 2022, we reviewed the Directors' Remuneration Policy and it will be submitted to shareholders for approval at our AGM in May 2023. The Committee found that the current policy is well aligned with the policies for the wider workforce, and other senior management, and are satisfied that it provides them with a framework to determine appropriate pay outcomes.

Where differences occur, these are driven by the need to remunerate employees in a way that is aligned to their seniority and ability to influence the business direction. For example, a larger proportion of pay for more senior employees is delivered as discretionary incentives.

This is because they are responsible for setting and implementing the Group's strategy, or for leading parts of the business, and as such their individual contribution can have a larger impact on the bank's performance overall. For more junior colleagues, more pay is delivered as fixed pay and as a result total pay is less exposed to fluctuations in business performance.



Alignment of employee and Executive Director Pay (continued)

Alignment of employee and Executive pay		
Pay component	Wider workforce	Executive directors
Fixed Pay	High proportion of remuneration delivered as fixed pay to support living costs (e.g. mortgage or rent payments) Fixed pay reviewed annually and aligned to market rates and experience in role	Fixed Pay reflects the role and responsibilities, delivered half in shares that must be retained for up to five years to create shareholder alignment. Annual increases typically no more than those of the wider workforce
Pensions	Competitive pension offering set by location, typically 10% of salary in the UK, 12% for our most junior UK colleagues	The Executive Directors receive cash in lieu of pension equal to 5% of Fixed Pay (equivalent to 10% of fixed cash)
Benefits	Competitive benefits offering, representing a greater proportion of total pay to support longer-term personal financial planning and wellbeing	Market aligned benefits offering, but a lower proportion of total pay than the wider workforce
Incentives	Incentive awards to reward strong performance Robust performance differentiation through incentive awards. Payments typically paid "in-year", i.e. at the end of the performance year but may be deferred for several years for more senior employees with higher incentive payment levels or those with a material impact on the Group's risk profile	Assessed against pre-determined targets and measures to align with financial performance, strategic non-financial performance and personal performance. Significant proportion of incentive awards is deferred for up to seven years. At least 50% of awards delivered as shares to create further shareholder alignment
Shareplans	All employees, including the Executive Directors, can participate in 'all-employee' share plans that provide an opportunity for colleagues to acquire Barclays shares at beneficial rates (available in locations representing 99% of employees globally)	

2022 outcomes

2023 Fixed Pay

Paying at least a living wage to all our colleagues is at the heart of our Fair Pay agenda and we have continued at least to meet the living wage benchmarks for each country, as set out on page 5 of this report. This year, the Committee also reflected on the cost pressures that our colleagues are facing in many jurisdictions and we moved quickly to bring forward an element of the 2023 salary increase budget for our more junior colleagues in the UK and for colleagues in some European countries.

In addition, we increased our 2023 salary increase budget, again focused on more junior colleagues, agreeing a 2023 UK pay deal for c.41,000 employees, with a total salary increase budget for our lowest paid colleagues of 11%, or 6.75% for the remainder of the union-recognised population. In the US, our salary increase budget for our most junior colleagues was 9%, and in

India our salary increase budget was 10% to keep pace with local market pressures.

Consistent with our approach to pay, we targeted the salary increase spend so there are higher average increases for our more junior colleagues. More senior employees, including the Executive Directors, received smaller average 2023 salary or fixed pay percentage increases.

In February 2023, the Committee reviewed the level of Fixed Pay for the Executive Directors, in the same way and at the same time as for the wider workforce, in line with the current DRP. The maximum total compensation opportunity for each Executive Director is driven by their level of Fixed Pay, and for both is materially behind market when compared to the equivalent opportunity for comparable roles in our international banking peer group.

The Committee considered this relative market positioning, in the context of the strong performance and significant personal contribution made by each of the Executive Directors, and their continued development in their respective roles. The Committee agreed to increase Fixed Pay by 3.4% for the Group Chief Executive and 4.3% for the Group Finance Director from 1 March 2023. This percentage increase is significantly lower than the average increase across the wider workforce, including the 11% and 6.75% budgets for salary increases for more junior colleagues agreed as part of the 2023 UK pay deal. Even with these Fixed Pay increases, the total compensation opportunity for each Executive Director remains well behind the equivalent opportunity across our international banking peer group.



Alignment of employee and Executive Director Pay (continued)

2022 Incentives

We remain committed to a remuneration approach that rewards sustainable performance, underpinned by our Fair Pay Agenda. In determining outcomes for 2022, the Committee looked at Barclays financial and non-financial performance. In 2022, we saw a 14% increase in Group Income, with another record performance in the Corporate and Investment Bank, where income growth in Global Markets more than offset subdued Investment Banking fees, while income was also up in Barclays UK and in Consumer, Cards and Payments, supported by balanced growth and rising interest rates.

One factor that weighed on our performance in 2022 is the over-issuance of certain securities under our US shelf registration statement. Our 2022 incentive funding incorporates a significant reduction to reflect the impact of the over-issuance and more details on this are set out in the Directors' Remuneration Report in the 2022 Barclays Plc Annual Report. Taking this and other relevant factors into account, the Committee approved a Group incentive pool of £1,790m (2021: 1,945m).



We remain committed to a remuneration approach that rewards sustainable performance, underpinned by our Fair Pay Agenda

As set out in the table on page 14, our approach to the Executive Directors' pay is aligned to our approach to wider workforce pay but there are some key differences. The incentive approach for our Executive Directors is significantly more structured than for other employees, as required by institutional shareholders for directors of UK-listed companies. This more-structured approach, with a need for direct alignment to financial performance metrics, leads to greater year-on-year volatility in incentive outcomes, both up and down, for the Executive Directors compared to the norms for other colleagues. Last year the record profit before tax resulted in incentive pay outcomes for the Executive Directors that were higher than in recent years, as a percentage of the maximum bonus opportunity, while this year the outcomes as a percentage of the maximum were not as high.

The Committee reflected on the appropriateness of the incentives outcomes for Executive Directors. They reviewed the underlying financial health of the Group, which is strong and well-capitalised. They considered the bonus outcomes in the context of the bonus outcomes for the wider workforce, ensuring appropriate alignment both this year and over a multi-year period, and also compared to historical outcomes for the Executive Directors in the context of performance each year. They concluded that the outcomes are appropriate in the context of the performance achieved and that no further discretionary adjustment was required.

What next

We will continue to review the alignment of wider workforce and Executive Director pay policies and ensure that our pay outcomes remain appropriate for all colleagues.



Equal pay commitment

We first published our Equal Pay Commitment in our 2018 Fair Pay Report.

In 2022 we continued to evaluate and enhance our processes and policies to support this commitment.

Our equal pay commitment

We believe that colleagues should be appropriately and fairly rewarded for their contribution. There are differences in what the phrase “equal pay” means across different jurisdictions, in legal terms, but our commitment is the same everywhere. Employees must be rewarded fairly, with regards to their specific role, seniority, responsibilities, skills and experience and other factors that properly affect pay. Pay decisions must not take into account any protected characteristic.

There will be times when it is appropriate to pay employees differently, even if they are doing the same or similar roles. This may be, for example, because of different levels of market pay, geographical differences, skills and experience shortages, relative levels of experience and performance in the role, or other business needs.

Delivering on our commitment

- We are explicit with those who make pay and performance decisions, through clear guidance and training, that those decisions must reflect an individual's role and contribution
- We require that pay and performance decisions must not, directly or indirectly, take into account an individual's gender, age, ethnicity, religion, sexual orientation, marital status, pregnancy, maternity, parental leave, veteran status, disability or any other protected characteristic
- We have robust processes to review and challenge pay and performance decisions
- We work closely with Unite to evaluate the fairness of performance management and pay distribution for our union-recognised employees
- We also actively share with employees our commitment to increase transparency of our approach to fair pay
- Employees are encouraged to engage with their manager if they have concerns about their pay and they can also speak to the HR teams. We will investigate any grievance raised by an employee, which includes any issues relating to pay
- We will continue to enhance our assurance activities to ensure that performance ratings and pay outcomes remain fair and free from bias



Our commitment is the same everywhere. Employees must be rewarded fairly, with regards to their specific role, seniority, responsibilities, skills and experience and other factors that properly affect pay.



Our 2022 suite of Reports

Barclays PLC Annual Report 2022

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

Barclays PLC Pillar 3 Report 2022

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

Barclays PLC Fair Pay Report 2022

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

Barclays PLC Country Snapshot 2022

An overview of our global tax contribution as well as our approach to tax, including our UK tax strategy, together with our country-by-country data.