

BARCLAYS PLC
Form 6-K
March 24, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

under the Securities Exchange Act of 1934

March 24, 2010

Barclays PLC

(Name of Registrant)

1 Churchill Place

London E14 5HP

England

(Address of Principal Executive Offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

This Report is a Report on Form 6-K filed by Barclays PLC.

The Report comprises the following:

Exhibit No.	Description
1	Barclays PLC Notice of Annual General Meeting 2010
2	Barclays PLC Proxy Form for the Annual General Meeting 2010
3	Barclays PLC Sharestore Proxy Form for the Annual General Meeting 2010
4	Barclays PLC Annual Report 2009
5	Barclays PLC Annual Review 2009

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

BARCLAYS PLC
(Registrant)

Date: March 24, 2010

By: /s/ MARIE SMITH
Name: Marie Smith
Title: Assistant Secretary

Barclays PLC Notice of Annual General Meeting

Message from the Group Chairman

This year's Annual General Meeting (the AGM) will be held on Friday 30th April 2010 at the Royal Festival Hall, London. Please note that this is a different venue to our normal location. The Notice of Meeting is set out on pages 2 to 9. The biographical details for the Directors standing for re-election at this year's AGM are included on pages 2 and 3. In light of the recommendations made by Sir David Walker, who was commissioned by the Government to review corporate governance in UK banks (the Walker Review), I am standing for re-election at this year's AGM and will stand for re-election each year going forward. The Board has also decided that the Deputy Chairman and Chairmen of each principal Board Committee should stand for annual re-election. David Booth, Sir Richard Broadbent and Sir Michael Rake are therefore offering themselves for re-election. Our Articles require that one-third of the Board retires by rotation each year and stands for re-election. Given that the Chairman, Deputy Chairman and Chairmen of each principal Board Committee will already be standing for re-election, one-third of the remaining Directors will stand for re-election each year. Consequently, Sir Andrew Likierman and Chris Lucas are offering themselves for re-election at this year's AGM. Reuben Jeffery, who was appointed to the Board since the last AGM, also offers himself for re-election. Each of the Directors standing for re-election at the AGM has been subject to a rigorous evaluation process, further details of which may be found in the 2009 Annual Report (which is available at www.barclays.com/annualreport09). Following this process, I can confirm that the Board considers the performance of each of the Directors standing for re-election at the AGM to be fully effective and they each demonstrate the commitment and behaviours expected of a Barclays Director. The Board also concluded that the non-executive Directors standing for re-election are independent in terms of the criteria set out in the UK Combined Code on Corporate Governance.

I would like to take this opportunity, on behalf of the Board, to acknowledge the valuable contribution made by those Directors who have left office since the last AGM. Stephen Russell, who had been on the Board since October 2000 on completion of the acquisition of Woolwich PLC, retired at the end of October 2009 having completed nine years' outstanding service to the Company. Patience Wheatcroft, who retired in June 2009, made a valuable contribution to the Board during the time she was a Barclays Director. Frits Seegers left us in November 2009 after three years of significant contribution to the Group, having had a transformational impact on our retail and commercial businesses globally. I would like to express my and the Board's thanks and appreciation to each of them and wish them the best in all they do in the future.

Our AGM is one of the key ways we communicate with our shareholders and it is an important opportunity for our shareholders to express their views by attending, raising questions and voting and the Board encourages you to use your vote. If you would like to vote on the resolutions but cannot attend the AGM, please fill in the Proxy Form sent to you with the Notice of Meeting and return it to our Registrars in the enclosed pre-paid envelope as soon as possible. They must receive it by 11.00am on Wednesday 28th April 2010. Alternatively, you can vote online on our website at www.barclays.com/investorrelations/vote. You will need your Voting ID, Task ID and Shareholder or Sharestore Reference Number, which are shown on the Proxy Form enclosed with the Notice of Meeting. CREST members may choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes on the Proxy Form.

We are making greater use of our website and email to communicate directly with shareholders. We now send Barclays e-view members regular, up to date information about their shareholding and Barclays performance direct to their inbox. Therefore, in future, we will not send you paper copies of shareholder documentation unless you have already positively told us that you would like to receive them. Please note that Barclays reserves the right to send you shareholder information by post should we feel it is appropriate. For more information, or if you have any questions, please visit our website www.barclays.com/investorrelations or contact the Registrar to Barclays.

The Board believes that all of the proposals set out in the Notice of Meeting are in the best interests of shareholders as a whole and the Company and unanimously recommends that you vote in favour of all the resolutions, as the Directors intend to do in respect of their own beneficial holdings.

Marcus Agius

Group Chairman

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Barclays PLC

9th March 2010

This document is important and requires your immediate attention

When considering what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000. If you have

sold or transferred all your shares in Barclays PLC please send this Notice of Meeting and the accompanying Proxy Form to the person you sold or transferred your shares to, or to the bank, stockbroker or other agent who arranged the sale or transfer for you.

Notice of Meeting

Notice is hereby given that the 2010 Annual General Meeting (the AGM) of Barclays PLC (the Company) will be held at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE18XX on Friday 30th April 2010 at 11.00am to transact the following business:

Resolutions

To consider and, if thought fit, to pass the following resolutions, with those numbered 1 to 13 and 18 being proposed as ordinary resolutions and resolutions 14 to 17 as special resolutions.

Report and Accounts

1. That the Reports of the Directors and Auditors and the audited accounts of the Company for the year ended 31st December 2009, now laid before the meeting, be received.

of State for Economic, Energy and Agricultural Affairs (2007-2009). Prior to joining the Department of State, Reuben was the Chairman of the Commodity Futures Trading Commission (2005-2007) and before that held a number of positions in US government service (2002-2005). He spent 18 years at Goldman, Sachs & Co. between 1983-2001, where he was managing partner of Goldman Sachs in Paris and of the firm's European Financial Institutions Group in London.

Term of office: Reuben Jeffery joined the Board in July 2009.

Independent: Yes

External appointments: Senior Adviser at the Center for Strategic & International Studies, Washington D.C.

Committee membership: Member of the Board Risk Committee since January 2010.

The Company's Articles of Association and provision A.7.1 of the UK Combined Code on Corporate Governance (the Combined Code) provide that any new Director appointed by the Board during the year may hold office only until the next AGM, when that Director must stand for re-election by the shareholders. Reuben Jeffery III joined the Board on 16th July 2009 and is accordingly seeking re-election.

Re-election of the Chairman, Deputy Chairman and Committee Chairmen

The Directors are required by UK companies legislation to present to the AGM the Reports of the Directors and Auditors and the audited accounts of the Company for each financial year (in this case for the year ended 31st December 2009). The Company's Articles of Association permit the Directors to pay interim and final dividends. It is not our practice, therefore, to seek shareholder approval of the final dividend, which we will normally pay in March, as to do so would delay its payment to shareholders.

Remuneration Report

2. That the Remuneration Report for the year ended 31st December 2009, now laid before the meeting, be approved.

UK companies legislation requires quoted companies to present to the AGM the Remuneration Report (which appears in full in the 2009 Annual Report and in summary in the 2009 Annual Review).

Re-election of Director appointed since the last AGM

3. That Reuben Jeffery III be re-elected a Director of the Company

Reuben is a Senior Adviser at the Center for Strategic & International Studies in Washington, D.C. and previously served in the US government as Under Secretary

4. That Marcus Agius be re-elected a Director of the Company

Marcus' extensive background in banking began at Lazard where he worked from 1972 to 2006, latterly as Chairman of Lazard in London and Deputy Chairman of Lazard LLC. He was Chairman of BAA plc until 2006 and is currently Senior Independent Director of the British Broadcasting Corporation (BBC) and Chairman of the Trustees of The Royal Botanic Gardens.

Term of office: Marcus joined the Board in September 2006 as a non-executive Director and was appointed Chairman on 1st January 2007. Marcus was last re-elected by shareholders at the AGM in 2009.

Independent: On appointment

External appointments: Senior Independent Director of the BBC since 2006. Chairman of the Trustees of the Royal Botanic Gardens, Kew. Chairman of The Foundation and Friends of the Royal Botanic Gardens, Kew. Chairman of Lazard in London and Deputy Chairman of Lazard LLC until 2006. Chairman of BAA plc until 2006.

Committee membership: Chairman of the Board Corporate Governance and Nominations Committee since January 2007. Member of the Board HR and Remuneration Committee since January 2007.

5. That David Booth be re-elected a Director of the Company

David manages his own venture capital investments, having retired from the Management Committee of Morgan Stanley in 1997. David was employed by Morgan Stanley from 1982 to 1992, and again from 1995 to 1997. He held various key positions there, including Head of Government Bond Trading, Head of Mortgage Trading, Sales and Finance and Head of Global Operations and Technology.

Term of office: David joined the Board in May 2007. David was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Director of East Ferry Investors, Inc. Trustee of the Brooklyn Botanic Garden. Various positions at Morgan Stanley & Co. until 1997. Director of the Discount Corporation of New York until 1993.

Committee membership: Chairman of the Board Risk Committee from January 2010 (member since January 2008). Member of the Board Corporate Governance and Nominations Committee since January 2010.

Directors standing for re-election

6. That Sir Richard Broadbent be re-elected a Director of the Company

Sir Richard has experience of both the private and public sector having worked in high-level banking roles and the Civil Service. He was the Executive Chairman of HM Customs and Excise from 2000 to 2003 and was formerly a member of the Group Executive Committee of Schroders PLC and a non-executive Director of the Securities Institute. Sir Richard is Chairman of Arriva PLC.

Term of office: Sir Richard joined the Board in September 2003. He was appointed Senior Independent Director on 1st September 2004 and Deputy Chairman on 16th July 2009. Sir Richard was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of Arriva PLC since 2004. Executive Chairman of HM Customs and Excise until 2003. Former Group Executive Committee member of Schroders PLC. Non-executive Director of the Securities Institute until 1995.

Committee membership: Member of the Board Risk Committee since April 2004 (Chairman January 2006 to December 2009). Chairman of the Board HR and Remuneration Committee since January 2007 (member since April 2004). Member of the Board Corporate Governance and Nominations Committee

Term of office: Sir Andrew joined the Board in September 2004. Sir Andrew was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Dean of the London Business School since January 2009. Chairman of the National Audit Office since December 2008. Trustee of the Institute for Government since September 2008. Chairman of Applied Intellectual Capital Inc. until 2008. Non-executive Director of the Bank of England until 2008. Non-executive Director and Vice-Chairman of the Tavistock and Portman NHS Trust until 2008. Non-executive Director and Chairman of the MORI Group until 2005.

Committee membership: Member of the Board Audit Committee since September 2004. Member of the Board Risk Committee since September 2004.

9. That Chris Lucas be re-elected a Director of the Company

Chris has worked across financial services for most of his career, including three years in New York as Head of the US Banking Audit Practice of PricewaterhouseCoopers LLP. Chris joined Barclays from PricewaterhouseCoopers LLP, where he was UK Head of Financial Services and Global Head of Banking and Capital Markets. He was Global Relationship Partner for Barclays for the 1999-2004 financial years and

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since September 2004.

subsequently held similar roles for other global financial services organisations.

7. That Sir Michael Rake be re-elected a Director of the Company

Sir Michael is currently Chairman of BT Group PLC, Chairman of the UK Commission for Employment and Skills and Chairman of easyJet plc. Sir Michael previously worked at KPMG from 1974-2007 where he spent a number of years in Continental Europe and the Middle East. He was Senior Partner of the UK firm from 1998-2000 and Chairman of KPMG International from 2002-2007.

Term of office: Sir Michael joined the Board in January 2008. Sir Michael was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of BT Group PLC since 2007. Chairman of easyJet plc since January 2010 (Deputy Chairman June 2009 – December 2009). Director of the Financial Reporting Council since 2007. Chairman of the UK Commission for Employment and Skills since 2007. Director of the McGraw-Hill Companies since 2007. Chairman of KPMG International until 2007. Chairman of Business in the Community from 2004 until 2007.

Committee membership: Chairman of the Board Audit Committee since March 2009 (member since January 2008). Member of the Board Risk Committee since May 2009. Member of the Board Corporate Governance and Nominations Committee since May 2009.

The Group Chairman is standing for annual re-election in light of the Walker Review recommendation and, in addition, the Board concluded that the Deputy Chairman and Chairmen of each principal Board Committee should also stand for annual re-election. The Directors seeking re-election in such a manner are listed in resolutions 4 to 7 above.

Re-election of Directors retiring by rotation

8. That Sir Andrew Likierman be re-elected a Director of the Company

Term of office: Chris was appointed Group Finance Director and became a member of the Executive Committee in April 2007. Chris was last re-elected by shareholders at the AGM in 2009.

External appointments: UK Head of Financial Services and Global Head of Banking and Capital Markets of PricewaterhouseCoopers LLP until 2006.

The Company's Articles of Association require one-third (rounded down) of the Directors, excluding those who were appointed by the Board since the last AGM, to retire in turn each year. The Directors retiring by rotation and seeking re-election in such a manner are listed in resolutions 8 and 9 above.

Reappointment of Auditors

10. That PricewaterhouseCoopers LLP, Chartered Accountants and Registered Auditors, be reappointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next AGM at which accounts are laid before the Company.

UK companies legislation requires that auditors are reappointed at each AGM at which accounts are presented. The Board, on the unanimous recommendation of the Board Audit Committee, which has evaluated the effectiveness and independence of the external auditors, is proposing the reappointment of PricewaterhouseCoopers LLP.

Auditors remuneration

11. That the Directors be authorised to set the remuneration of the auditors.

The Directors may set the remuneration of the auditors if authorised to do so by the shareholders. This resolution proposes that the Directors be authorised to set the remuneration of the auditors. Details of the remuneration paid to the external auditors for 2009 and details of how the Group monitors the effectiveness and independence of the external auditors may be found in the Annual Report.

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Sir Andrew is Chairman of the National Audit Office, having held a number of public roles in the financial services sector, including Managing Director, Financial Management, Reporting and Audit and Head of the Government Accountancy Service at HM Treasury and non-executive Director of the Bank of England. Sir Andrew is also Dean of the London Business School. He has been at the London Business School from 1974-1976, 1979-1993 and since 2004.

Notice of Meeting

continued

Political Donations

12. That, in accordance with section 366 of the Companies Act 2006 (the 2006 Act) the Company and any company which, at any time during the period for which this resolution has effect, is a subsidiary of the Company, be and are hereby authorised to:

(a) make political donations to political organisations not exceeding £25,000 in total; and

(b) incur political expenditure not exceeding £100,000 in total, in each case during the period commencing on the date of this resolution and ending on the date of the AGM of the Company to be held in 2011 or on 30th June 2011, whichever is the earlier, provided that the maximum amounts referred to in (a) and (b) may consist of sums in any currency converted into sterling at such rate as the Board may in its absolute discretion determine. For the purposes of this resolution, the terms political donations , political organisations and political expenditure shall have the meanings given to them in sections 363 to 365 of the 2006 Act.

The 2006 Act requires companies to obtain shareholder approval before they can make donations to EU political organisations or incur EU political expenditure. We do not give any money for political purposes in the UK nor do we make any donations to EU political organisations or incur EU political expenditure. However, the definitions of political donations and political expenditure used in the 2006 Act are very wide. As a result, they may cover activities that form part of relationships that are an accepted part of engaging with our stakeholders to ensure that issues and concerns affecting our operations are considered and addressed, but which would not be considered as political donations or political expenditure in the layman's sense. The activities referred to above are not designed to support any political party nor to influence public support for any political party. The authority which the Board is requesting is similar to the authority given by shareholders at the AGM in 2009 and is a precautionary measure to ensure that the Group does not inadvertently breach the 2006 Act.

Authority to allot securities

13. That, in substitution for all existing authorities, the Directors be hereby generally and unconditionally authorised pursuant to section 551 of the 2006 Act to exercise all the powers of the Company to:

(a) allot shares (as defined in section 540 of the 2006 Act) in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,043,323,357, \$77,500,000, 40,000,000 and ¥4,000,000,000;

(b) allot equity securities (as defined in section 560 of the 2006 Act) up to an aggregate nominal amount of £2,006,646,714 (such amount to be reduced by the aggregate nominal amount of ordinary shares allotted or rights to subscribe for or to convert any securities into ordinary shares in the Company granted under paragraph (a) of this resolution 13) in connection with an offer by way of a rights issue;

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(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other equity securities (as defined in section 560 of the 2006 Act) as required by the rights of those securities, or subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply (unless previously renewed, varied or revoked by the Company in General Meeting) for the period expiring at the end of the AGM of the Company to be held in 2011 or the close of business on 30th June 2011, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors may allot shares or grant such rights under any such offer or agreement as if the authority had not expired.

The effect of this resolution is to give the Directors authority to allot, in addition to the £40,000,000 of sterling preference shares and other currency denominations of preference shares created in 2008, ordinary shares up to an amount approximately equal to two-thirds of the issued ordinary share capital of the Company as at 5th March 2010 (excluding treasury shares) in certain circumstances. Paragraph (a) of the resolution will give Directors a general authority to allot all of the unissued preference shares in the Company and up to a maximum aggregate nominal amount of £1,003,323,357 of ordinary shares being equivalent to one-third of the Company's issued ordinary share capital as at 5th March 2010. As at 5th March 2010, the Company does not hold any treasury shares. In November 2009, the ABI issued updated guidance on the approval of authorities to allot shares, in which it stated that, in addition to requests for authorisation to allot new shares in an amount up to one-third of the existing issued ordinary share capital of a company, it would regard as routine requests to authorise the allotment of a further one-third in connection with a rights issue. In light of this, paragraph (b) of resolution 13 proposes that a further authority be conferred on the Directors to allot shares or rights to subscribe for shares in connection with a rights issue in favour of holders of equity securities (which would include ordinary shareholders) up to a further one-third of the issued ordinary share capital (such amount to be reduced by the nominal amount of ordinary shares or rights to subscribe for ordinary shares issued under the authority conferred by paragraph (a) of this resolution). This gives Directors authority to allot in total up to the equivalent of two-thirds of the issued ordinary share capital of the Company as at 5th March 2010. The Board seeks annual renewal of this authority in accordance with best practice.

The Board has no current plans to make use of this authority but wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources. This authority would remain in force until the end of the AGM in 2011 or the close of business on 30th June 2011, whichever is the earlier. Where the additional authority described in paragraph (b) of this resolution is used, all Directors will stand for re-election at the next AGM. This authority remains in force regardless of whether the new Articles of Association are adopted pursuant to resolution 17.

Notes

a. Entitlements under CREST

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company specifies that only those holders of shares registered in the register of members at 6.00pm on Wednesday 28th April 2010 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 6.00pm on Wednesday 28th April 2010 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

b. Appointing a proxy

A shareholder who is entitled to attend, speak and vote at the meeting is entitled to appoint one or more people (called proxies) to attend, speak and vote on his/her behalf. They need not be Barclays shareholders. If more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to different shares. A proxy will have the same number of votes on a show of hands as if the member who appointed the proxy was at the meeting.

c. Corporate representatives

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A corporate shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

d. Persons nominated by shareholders

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 (nominated persons). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

e. Documents available for inspection

The following documents, which are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) at the Company's registered office, 1 Churchill Place, London E14 5HP, will also be available for inspection at the Royal Festival Hall from 10.30am on Friday 30th April 2010 until the end of the meeting: (i) copies of the executive Directors' service contracts; (ii) copies of the non-executive Directors' letters of appointment; (iii) the proposed new Articles of Association of the Company envisaged by resolution 17; and (iv) a copy of the Group SAYE Share Option Scheme rules proposed to be adopted by resolution 18.

Authority to allot equity securities for cash other than on a pro-rata basis to shareholders or to sell treasury shares

14. That, in substitution for all existing powers, and subject to the passing of resolution 13, the Directors be generally empowered pursuant to section 570 of the 2006 Act to allot equity securities (as defined in section 560 of the 2006 Act) for cash, pursuant to the authority granted by resolution 13 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the 2006 Act, in each case free of the restriction in section 561 of the 2006 Act, such power to be limited:

(a) to the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted by paragraph (b) of resolution 13, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only):

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other equity securities (as defined in section 560 of the 2006 Act), as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(b) to the allotment of equity securities, pursuant to the authority granted by paragraph (a) of resolution 13 and/or an allotment which constitutes an allotment of equity securities by virtue of section 560(3) of the 2006 Act (in each case otherwise than in the circumstances set out in paragraph (a) of this resolution 14) up to a nominal amount of £150,498,503 representing no more than 5% of the issued ordinary share capital as at 5th March 2010; compliance with that limit shall be calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares (as defined in section 560 of the 2006 Act) by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such power to apply (unless previously renewed, varied or revoked by the Company in General Meeting) until the end of the Company's next AGM after this resolution is passed (or, if earlier, until the close of business on 30th June 2011) but so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the Directors may allot equity securities under any such offer or agreement as if the power had not expired.

The effect of this resolution is to renew the authority given to the Directors to allot equity securities (which for these purposes includes sale of treasury shares) on a non-pre-emptive basis either to ordinary shareholders by way of a rights issue or to holders of other equity securities according to the rights attaching to those securities. Additionally, allotments can be made for cash but limited to an amount

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approximately equal to 5% of the issued ordinary share capital of the Company as at 5th March 2010. This authority would remain in force until the end of the AGM in 2011 or the close of business on 30th June 2011, whichever is the earlier. The Board seeks annual renewal of this authority in accordance with best practice. The Board has no current plans to make use of this authority but wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources. As announced on 7th November 2008, for the following two years, the Company would structure any new offer of equity securities for the purpose of raising new capital so as to give its then shareholders full rights of participation. The exceptions are any issue of equity securities in connection with employee remuneration arrangements or any acquisition of another entity or business or in satisfaction of pre-existing contractual obligations under the Group's existing Tier 1 capital requirements. The Company does not intend to issue more than 7.5% of its issued ordinary share capital on a non pre-emptive basis in any three-year period. The authority conferred by this resolution 14 remains in force regardless of whether the new Articles of Association are adopted pursuant to resolution 17.

Purchase of own shares

15. That the Company be generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693 of the 2006 Act) on the London Stock Exchange of up to an aggregate of 1,203,988,028 ordinary shares of 25p each in its capital, and may hold such shares as treasury shares, provided that:

- (a) **the minimum price (exclusive of expenses) which may be paid for each ordinary share is not less than 25p;**
- (b) **the maximum price (exclusive of expenses) which may be paid for each ordinary share shall not be more than the higher of (i) 105% of the average of the market values of the ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date on which the purchase is made and (ii) that stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003); and**
- (c) **unless previously reviewed, varied or revoked by the Company in General Meeting, the authority conferred by this resolution shall expire at the end of the AGM of the Company to be held in 2011 or the close of business on 30th June 2011, whichever is the earlier (except in relation to any purchase of shares the contract for which was concluded before such date and which would or might be executed wholly or partly after such date).**

This resolution would enable the Company to purchase up to a maximum of 1,203,988,028 of its ordinary shares. This is less than 10% of the issued share capital as at 5th March 2010. The total number of ordinary shares that may be issued on the exercise of outstanding options as at 5th March 2010 is 102,016,312 which represents approximately 0.8% of the issued share capital at that date. As at 5th March 2010 there are 510,820,984 warrants over ordinary shares outstanding which represents approximately 4.24% of the issued share capital of the Company at that date. If the Company were to purchase shares up to the maximum permitted by this resolution, the proportion of ordinary shares subject to outstanding options would represent approximately 0.9% of the issued share capital as at 5th March 2010 and the proportion of ordinary shares to be

f. Total shares and voting rights

As at 5th March 2010 (being the latest practicable date before publication of this document) the Company's issued share capital comprised 12,039,880,284 ordinary shares of 25 pence each. Each ordinary share carries the right to vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5th March 2010 was 12,039,880,284.

g. Shareholder information

A copy of this Notice of Meeting and other information required by section 311A of the Companies Act 2006 can be found at www.barclays.com/investorrelations.

h. Shareholder right to ask a question

Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) it is undesirable in the interests of the

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Company or good order of the meeting that the question be answered.

i. Members' statement of audit concerns

Section 527 of the 2006 Act allows shareholders who meet the threshold requirements of that section to require the Company to publish a statement on its website setting out any matter relating to: (i) the audit of the accounts to be laid at the meeting (including the auditor's report and the conduct of the audit); or (ii) any circumstances connected with the auditor ceasing to hold office since the last meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. This is known as a 'members' statement of audit concerns'. If such a request is received, the Company cannot require those shareholders requesting publication of the statement to meet its costs of complying with that request. The Company must also forward a copy of the statement to the auditor not later than the time that the Company makes it available on the website. Where a members' statement of audit concerns is received it will be included in the business of the meeting at which the accounts are laid.

j. Electronic communication

You may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

Notice of Meeting

continued

issued on exercise of the warrants would represent approximately 4.71%. The Board considers it desirable for the general authority proposed above to be available to provide maximum flexibility in the management of the Group's capital resources. The Board would use such authority only if satisfied at the time that to do so would be in the interests of shareholders and would lead to an increase in the Group's earnings per share. Under UK companies legislation, the Company may hold any shares bought back in treasury, which may then either be sold for cash, transferred for the purposes of an employees' share scheme (subject, if necessary, to approval by shareholders at a General Meeting) or cancelled. The Company therefore has the choice of either cancelling or holding in treasury any of its shares which it purchases. If the Company buys any of its shares under the authority given by this resolution, the Board will decide at the time of purchase whether to cancel them immediately or to hold them in treasury. In relation to treasury shares, the Board would also have regard to any investor guidelines in relation to the purchase of shares intended to be held in treasury or in relation to their holding or resale which may be in force at the time of any such purchase, holding or resale.

General meetings

16. That the Directors be authorised to call general meetings (other than an AGM) on not less than 14 clear days' notice, such authority to expire at the end of the AGM of the Company to be held in 2011 or the close of business on 30th June 2011, whichever is the earlier.

The 2006 Act requires listed companies to call general meetings on at least 21 clear days' notice unless shareholders have approved the calling of general meetings at shorter notice. Barclays wishes to retain the option of calling general meetings on 14 clear days' notice and the effect of this resolution is to continue to give the Directors the power to call general meetings on a notice period of not less than 14 clear days. However, as Barclays has a global shareholder base, in practice, we would always aim to give a longer notice period to ensure overseas shareholders in particular are able to participate fully. The 14 day notice period would therefore not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. The resolution is valid up to the end of the next AGM or the close of business on 30th June 2011, whichever is the earlier, and it is our intention to renew the authority at each AGM. The Company offers the facility for shareholders to vote by electronic means. This is accessible to all shareholders and would be available if the Company was to call meetings on 14 clear days' notice. The Company also provides the ability to appoint proxies electronically through CREST and shareholders can vote online at www.barclays.com/investorrelations/vote.

Adoption of new Articles of Association

17. That:

(a) **the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Company's Articles of Association; and**

(b) **the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.**

This resolution is to adopt new Articles of Association (the 'New Articles') in order to update the Company's current Articles of Association (the 'Current Articles') primarily to take account of the coming into force of the Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations'), the implementation of the last parts of the 2006 Act and amendments to the Uncertificated Securities Regulations 2001.

The principal changes introduced in the New Articles are described in Appendix 1 set out on pages 7 to 8 of this Notice.

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Other changes, which are minor, technical, drafting, clarifying or inconsequential in nature or which merely reflect changes made by the 2006 Act,

the Shareholders' Rights Regulations or the Uncertificated Securities Regulations 2001, or conform the wording of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills (the Model Articles) have not been highlighted in Appendix 1.

A copy of the New Articles will be available for inspection at the Company's registered office, 1 Churchill Place, London E14 5HP during business hours on any weekday (public holidays excluded) from the date of this Notice until the close of the meeting. The New Articles will also be available on the Company's website and available for inspection at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX from 10.30am on Friday 30th April 2010 until the end of the meeting.

Barclays Group SAYE Share Option Scheme (Sharesave Plan)

18. That the rules of the Barclays Group SAYE Share Option Scheme, the principal terms of which are summarised in Appendix 2 and the draft rules which are produced to the meeting and signed by the Chairman of the meeting for the purposes of identification, be and are hereby approved and adopted by the Company and the Directors be and are hereby authorised to:

- (a) do all such acts and things necessary or expedient for the purposes of implementing and giving effect to the Sharesave Plan, including making any changes to the draft rules of the Sharesave Plan in order to obtain HM Revenue & Customs approval; and**
- (b) establish such appendices, schedules, supplements or further schemes based on the Sharesave Plan but modified to take advantage of or to comply with, local tax, exchange control or securities laws in jurisdictions outside the UK, provided that any ordinary shares made available under any such appendices, schedules, supplements or further schemes are treated as counting against the limits and overall participation in the Sharesave Plan.**

This resolution proposes the renewal of the Barclays Group SAYE Share Option Scheme, on broadly similar terms to the existing Sharesave Plan, which expires on 31st December 2010, and to authorise the Board to establish (where appropriate) new overseas savings-related option schemes based on the Sharesave Plan. Any such overseas scheme would be subject to the same overall dilution limits on the number of Company shares available and the same individual limits. The Company believes in employee share ownership, which aligns the interests of employees with those of shareholders. The Sharesave Plan is an all-employee share plan that encourages employees to own shares in the Company and to share in its growth and success. The principal terms of the Sharesave Plan are described in Appendix 2 on page 9 of this Notice.

A copy of the rules of the Sharesave Plan will be available for inspection at the Company's registered office, 1 Churchill Place, London E14 5HP during business hours on any weekday (public holidays excluded) from the date of this Notice until the close of the meeting. The Sharesave Plan rules will also be available on the Company's website and available for inspection at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX from 10.30am on Friday 30th April 2010 until the end of the meeting.

By order of the Board

Lawrence Dickinson

Company Secretary

9th March 2010

1 Churchill Place

London E14 5HP

Registered in England, Company No. 48839

Appendix 1

Summary of the principal changes to the Company's

Articles of Association

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum of Association and the Current Articles. The Company's Memorandum of Association contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in a company. Under the 2006 Act, the objects clause (and all other provisions which are contained in a company's memorandum), for companies in existence as at 1st October 2009, are deemed to be contained in a company's articles of association (but a company can remove these provisions by special resolution).

The 2006 Act also states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of section 28 of the 2006 Act, are treated as forming part of the Company's articles of association as of 1st October 2009, namely the statement of authorised share capital, the statement of limited liability, the location of the registered office and the statement of the Company's name. Resolution 17 (a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's Memorandum of Association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

Directors' fees

The New Articles increase the aggregate Directors' fee that may be paid to the non-executive Directors of the Company from £1,000,000 to £2,000,000. This limit was last amended in April 2001 when it was increased from £500,000 to £1,000,000. The total Directors' fees payable vary with the number of non-executive Directors and the amount of the Directors' base fee. The Company wishes to take this opportunity to create additional flexibility in respect of payment of non-executive Directors' fees and is therefore seeking the higher limit in the New Articles. The aggregate fee cap set nine years ago is no longer feasible given the increased expected time commitments set out in the Walker Review. The New Articles also clarify that Directors who hold another office, such as that of Chairman, or who serve on any committees of the Directors, may also be paid for those services.

Articles which duplicate statutory provisions

Provisions in the Current Articles which duplicate provisions contained in the 2006 Act are in the main removed in the New Articles. This is in line with the approach, advocated by the Government, that statutory provisions should not be duplicated in a company's constitution.

Authorised share capital and unissued shares

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The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because shareholders will still be asked each year to authorise Directors to allot shares.

All references to authorised share capital and to unissued shares have therefore been removed from the New Articles, including references to the staff shares (all of the staff shares in issue were bought back by the Company following approval by the shareholders at the 2008 AGM).

Allotment authority of the Board

The allotment authority and the power to disapply pre-emption rights in respect of such allotments have been deleted from the New Articles and the Company will therefore in future propose separate, standalone resolutions annually in order to empower the Directors to allot new shares and to disapply pre-emption rights in respect of such allotments. This will also allow the Company to take account of the prevailing current investor protection committee guidance.

Variation of class rights

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the 2006 Act which are now reflected in the New Articles.

Redeemable shares

Under the Companies Act 1985 (the 1985 Act), if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The 2006 Act enables Directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company has no current plans to issue redeemable shares and if that changes the Directors would need to seek shareholders' authority to issue new shares in the usual way.

Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the 1985 Act, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital (or other undistributable reserves) as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. Under the 2006 Act, a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly, the relevant enabling provisions have been removed in the New Articles.

Right to a share certificate

Pursuant to section 769 of the 2006 Act, the New Articles extend from one month to two months the time period within which a shareholder is entitled to receive a share certificate from the Company following allotment or lodgement with the Company of a transfer or the Company receiving the relevant operator instruction. In practice we shall continue to send share certificates out within one month.

Payment in advance of calls

The Current Articles provide that the members of the Company and the Board shall agree the interest payable on amounts paid in advance of calls, while the New Articles state that if the interest rate is not fixed by the terms of allotment or issue of the shares, the Board may decide the interest payable.

Fees on registration

The Current Articles provide that no fee is payable on any instrument of transfer or other instrument relating to or affecting the title to any shares, while the New Articles state that the Company may charge a fee following an amendment to the Listing Rules. There is no current intention to do so.

Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

Change of name

Under the 1985 Act, a company could only change its name by special resolution. Under the 2006 Act a company will be able to change its name by other means provided for by its articles. The New Articles enable the Directors to pass a resolution to change the Company's name.

Voting record date

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Under the 2006 Act, as amended by the Shareholders' Rights Regulations, the Company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The New Articles reflect this requirement.

Appendix 1

Summary of the principal changes to the Company's

Articles of Association

continued

Adjournments for lack of quorum

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least ten clear days after the original meeting. The New Articles reflect this requirement.

General meetings at more than one place

The New Articles include amendments to provide greater scope for members to participate in meetings of the Company even if they are not present in person at the principal place of the meeting.

Resolution to be decided on a poll

The Current Articles provide that a poll may be demanded by, amongst others, members representing not less than one-fiftieth of the total voting rights of all members or members holding shares conferring a right to vote on which an aggregate sum has been paid up equal to not less than one fiftieth of the total sum paid up. To conform the wording of the New Articles with the Model Articles the threshold is proposed to be increased in both instances from one-fiftieth to 10%.

Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the 2006 Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles reflect these changes.

Proxies to vote in accordance with instructions

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, proxies are required to vote in accordance with instructions given by the shareholder by whom the proxy is appointed. The New Articles state that the Company is not required to confirm that a proxy has followed instructions and that a failure to vote as instructed does not invalidate the proceedings on the resolution.

Vacation of office by Director

The Current Articles require five-sixths of the total number of Directors to vote in favour of the removal of any Director. Under the New Articles, the threshold has been reduced from five-sixths to 75%. This threshold is in line with investor protection committee guidance.

Appointment of alternate Director

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The New Articles provide that, if a Director wishes to appoint a person who is not a Director of the Company as their alternate, the person must be approved by the Board. This requirement is not included in the Current Articles.

Procedures regarding Directors' resolution in writing

The Current Articles require all Directors to sign a written resolution. The New Articles clarify that a written resolution will be valid if agreed to by all the Directors who would have been entitled to vote on that resolution had it been passed at a Directors' meeting. This conforms the New Articles with the Model Articles.

Provision for employees on cessation of business

The 2006 Act provides that the powers of the Directors of a company to make provision for a person employed (or formerly employed) by the company (or any of its subsidiaries) in connection with the cessation or transfer to any person of the

whole or part of the undertaking of the company (or that subsidiary) may only be exercised by the Directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles provide that the Directors may exercise this power.

Use of seals

Under the 1985 Act, a company required authority in its articles to have an official seal for use abroad. Under the 2006 Act, such authority will no longer be required. The relevant authorisation has been removed in the New Articles.

Method of payment of dividends

The Current Articles authorise the Company to make payments in respect of dividends by means of, amongst others, cheque or any usual or common banking method. The New Articles provide that the Company Secretary is authorised to decide that payments in respect of dividends no longer need to be made by cheque, but may be made exclusively by direct credit into a nominated bank or building society account. There is no current intention to discontinue payment of dividends by cheque.

Uncashed dividends

The Current Articles allow the Company to stop despatching payments in respect of a share after the second time monies payable in respect of the share have been returned undelivered or left uncashed. This approach is also adopted in the New Articles. The New Articles additionally authorise the Company to stop payment the first time that the dividend or other payment in respect of a share is left uncashed provided reasonable enquiries have failed to establish another address for or account of the person entitled to payment. This is to ensure greater security and data protection for shareholders.

Dividend in specie

The Current Articles provide that the general meeting may, on recommendation of the Board, resolve in favour of a distribution in specie, while the New Articles provide that the Board may, with the prior authority of an ordinary resolution, direct that dividends are paid in specie.

Notices and communications

Provisions in the New Articles relating to communications with shareholders are no longer set out in their entirety as they are dealt with in (i) the 2006 Act and (ii) the electronic communication provisions contained in the Disclosure and Transparency Rules.

Destruction of documents

Under the New Articles the time periods within which the Company may destroy certain documents, such as cancelled share certificates and mandates for the payment of dividends, have been amended in certain instances in order to conform the wording of the New Articles with that used in the Model Articles.

Members not entitled to documents and information

The 2006 Act provides that the requirement to send notices of general meeting to every member of a company is subject to any provisions in that company's articles. The New Articles grant the Company the power to cease sending notices to any member who has been sent documents on two consecutive occasions over a period of at least 12 months and where each of those documents is returned undelivered, or the Company receives notification that each of them has not been delivered.

Appendix 2

Summary of the principal terms of the Barclays Group SAYE

Share Option Scheme (Sharesave Plan)

This summary does not form part of the Sharesave Plan and should not be taken as affecting the interpretation of its detailed rules.

General

The Sharesave Plan replaces the existing savings-related share option scheme which expires at the end of 2010. The Sharesave Plan is a savings-related share option scheme designed to be approved by HM Revenue & Customs (HMRC) in accordance with the Income Tax (Earnings & Pensions) Act 2003 in order to provide UK tax-advantaged benefits to UK employees. It will be administered by the Board or a duly authorised committee of the Board.

Eligibility

Employees and full-time Directors of the Company (or any designated participating subsidiary) who are UK resident taxpayers, are eligible to participate in the Sharesave Plan, although the Board has discretion to allow other employees to participate. Participation may be subject to the Board requiring eligible employees to have completed a qualifying period of employment of up to five years.

The savings contract

To participate in the Sharesave Plan, an employee must enter into a savings contract with an appropriate savings carrier under which they agree to make aggregate monthly savings between (and including) the statutory minimum and maximum (currently £5 and £250) for a specified savings period of three or five years. The Board has discretion to determine which savings contract will be available in respect of any invitation to apply for the grant of options.

A bonus, determined by HM Treasury, is payable after the expiration of the savings period. In connection with a five-year savings contract, the Board may allow participants to leave their savings in their savings account for a further two years in order to receive an additional bonus.

Grant of options

Options can only be granted under the Sharesave Plan to employees who have entered into an HMRC approved savings contract. Options must be granted within 30 days (or 42 days if applications are scaled back) of the first day by reference to which the option exercise price is set. The number of shares over which an option is granted will be such that the total exercise price payable for those shares will correspond to the proceeds on maturity of the related savings contract.

Options are neither transferable (except on death) nor pensionable. No consideration is required for the grant of an option. Options may not be granted more than ten years after shareholder approval of the Sharesave Plan. No options may be granted later than 31st December 2020. Options granted under the Sharesave Plan are personal to the participant and may not be transferred. Benefits under the Sharesave Plan will not be pensionable.

Exercise price

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The price per share payable upon the exercise of an option granted under the Sharesave Plan will not be less than the higher of:

(a) 80% of the middle-market quotation of a share as derived from the Daily Official List of the London Stock Exchange for the dealing day (or the average of such quotations during a period not exceeding five dealing days or such other dealing day(s) as may be agreed in advance with HMRC) immediately preceding the date on which invitations to apply for the grant of an option are issued to employees; or

(b) if the option relates to new issue shares, the nominal value of a share.

The exercise price will be determined by reference to dealing day(s) which fall within the period of six weeks following:

the date HMRC formally approves the Sharesave Plan;

the Company's normal Sharesave Plan invitation date;

any change to the legislation affecting savings-related share option schemes approved by HMRC is announced or made; and

the announcement by the Company of its results for any period;
or at any other time when the Board considers that there are exceptional circumstances that justify granting options under the Sharesave Plan. No consideration is payable for the grant of an option.

Exercise of options

Options will normally be exercisable for a period of six months (12 months in the case of death – see below) from the third, fifth or seventh anniversary of the commencement of the related savings contract depending upon the length of the savings contract term chosen by the participant. Earlier exercise is permitted in the following circumstances:

following cessation of employment by reason of death, disability, injury, redundancy, retirement on reaching age 60 (or any other age at which the employee is bound to retire under his terms of employment) or the business or company that the employee works for ceases to be part of the Company's group;

when an employee reaches age 60;

where employment ceases more than three years from grant for any reason other than by reason of dismissal for misconduct;

in the event of a takeover, amalgamation, reconstruction or winding-up of the Company, except in the case of an internal corporate reorganisation when the Board may decide to exchange existing options for equivalent new options over shares in a new holding company.
Except where stated above, options will lapse on cessation of employment.

Limit on the issue of new shares

The Sharesave Plan may operate over new issue shares, treasury shares or shares purchased in the market. However, in any ten calendar year period the Company may not issue (or grant rights to issue) more than 10% of the issued ordinary share capital of the Company under the Sharesave Plan and any other employees share scheme adopted by the Company.

Treasury shares will count as new issue shares for the purposes of this limit.

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Rights attaching to shares

All shares allotted or transferred under the Sharesave Plan will rank equally with all other shares then in issue, except for rights arising by reference to a record date prior to their allotment. Shares will be allotted or transferred to participants within 30 days of exercise.

Variation of capital

If there is a variation of the Company's share capital by way of capitalisation or rights issue, or by consolidation, sub-division or reduction of capital or otherwise, then, subject to HMRC approval, the Board may make such adjustments as it considers appropriate to the number of shares under option and/or the exercise price.

Amendments to the Sharesave Plan

The Board may amend the provisions of the Sharesave Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares to be acquired and the adjustment of options.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor amendment made to benefit the administration of the Sharesave Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the Company or any company in the Company's group.

Any amendment to a key feature of the Sharesave Plan will require HMRC approval before it can take effect.

Overseas schemes

The shareholder resolution to approve the Sharesave Plan will allow the Board, without further shareholder approval, to establish appendices, schedules, supplements or further schemes for overseas territories. Any such appendix, schedule, supplement or scheme would be similar to the Sharesave Plan but modified to take advantage of or to comply with, local tax, exchange control or securities laws, provided that any shares made available under such arrangements are treated as counting against the limits on individual and overall participation in the Sharesave Plan.

It is envisaged that in reliance of the power to extend the Sharesave Plan overseas, a replacement Barclays Group International SAYE Scheme and Barclays Group Irish SAYE Group Option Scheme, both due to expire at the end of 2010, would be established.

Questions and Answers

Voting arrangements

Who is entitled to vote?

Shareholders who want to attend, speak and vote at the Annual General Meeting (AGM) must be entered on the Company's register of members by no later than 6.00pm on Wednesday 28th April 2010. This time will still apply for the purpose of determining who is entitled to attend and vote if the AGM is adjourned from the scheduled time by 48 hours or less. If the AGM is adjourned for longer, members who wish to attend and vote must be on the Company's register of members by 6.00pm two days before the time fixed for the adjourned AGM.

How do I vote?

There are three ways in which you can vote:

You can appoint a proxy online to vote on your behalf on our website at www.barclays.com/investorrelations/vote;

You can vote in person at the AGM; or

You can sign the enclosed Proxy Form appointing the Chairman or some other person to vote for you. Voting on resolutions at the AGM will be by poll. That means that you will be asked to complete a Poll Card if you attend in person. We believe that a poll is the best way of representing the views of as many shareholders as possible in the voting process.

If you vote by Proxy Form, you should return your form to the Registrar in the enclosed pre-paid envelope so that it is received by no later than 11.00am on Wednesday 28th April 2010. You will find details below of how to withdraw your proxy if you change your mind.

What if I plan to attend the Annual General Meeting and vote in person?

If you want to vote in person at the AGM there is no need to complete the Proxy Form. Attached to the Proxy Form is a Poll Card for use by those attending the AGM. You should bring the Poll Card with you to the meeting.

If my shares are held in Barclays Sharestore how do I vote?

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All Sharestore members can elect to attend, speak and vote at the AGM. If you are a Sharestore member and do not want to attend but do want to vote, you must return the enclosed Proxy Form so that Equiniti Corporate Nominees Limited can appoint whichever person you name on the Proxy Form to attend and vote on your behalf. If you return the Proxy Form but do not insert the name of another proxy then the Chairman of the meeting will vote on your behalf. Alternatively, you can appoint a proxy to vote on your behalf on our website at www.barclays.com/investorrelations/vote. If you have received a Sharestore Voting Instruction Card, you can also vote online at the same website.

I have been nominated by a shareholder to enjoy information rights, can I vote?

No. If you are not a shareholder you do not have a right to vote or to appoint a proxy. However, the agreement that you have with the person who nominated you to enjoy information rights may give you the right to be appointed as their proxy, or to have someone else appointed as a proxy for the AGM and to attend, speak and vote on their behalf. If you have any questions you should contact the registered shareholder (the custodian or broker) who looks after your investment on your behalf.

How will my shares be voted if I appoint a proxy?

The person you name on your Proxy Form must vote in accordance with your instructions. If you do not give them any instructions, a proxy may vote or not vote as he or she sees fit on any business of the AGM. Please see the explanatory notes on the reverse of the Proxy Form.

Can I appoint anyone to be a proxy?

Yes. You can appoint your own choice of proxy or you can appoint the Chairman as your proxy. Your proxy does not need to be a Barclays shareholder.

Can I appoint more than one proxy?

Yes. You may appoint more than one proxy, provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to the same share. To appoint more than one proxy you should photocopy the Proxy Form and indicate in the box that this is one of multiple instructions.

Can I change my mind once I have appointed a proxy?

Yes. If you change your mind, you can send a written statement to that effect to the Registrar. The statement must arrive with the Registrar by 11.00am on Wednesday 28th April 2010, or you should bring it along to the AGM.

If you hold your shares in Barclays Sharestore, and you have changed your mind your new instruction must be received by the Registrar by no later than 11.00am on Wednesday 28th April 2010. You cannot bring it along to the meeting.

How will the votes be counted?

Each of the resolutions set out in the Notice of Meeting will be voted upon on a poll. The passing of resolutions 1 to 13 and 18 are determined by a majority of votes. Resolutions 14 to 17 are being proposed as special resolutions and will therefore require a 75% majority of the votes cast for it to be passed. Our Registrar counts the proxy votes received before the AGM and then counts the votes cast at the AGM. An independent third party, Electoral Reform Services, has been appointed by Barclays to monitor the shareholder voting process.

When will the results of the voting be declared?

The preliminary results of voting on the resolutions to be proposed at the AGM will be displayed in the meeting room shortly after the AGM. The final results will be announced to the London Stock Exchange and will appear on our website at www.barclays.com/investorrelations.

Corporate shareholders

I am a corporate shareholder what do I need to do to attend the AGM?

Representatives of shareholders that are corporations will have to produce evidence of their proper appointment when attending the AGM. Please contact our Registrar if you need further guidance on this.

Questions

Can I ask a question at the AGM?

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Yes, however, questions should only be asked on the specific business of the AGM. If you would like to ask a question at the AGM, you can register your question at the Question Registration Point in the Exhibition Area before the AGM starts. You can also register your question in the meeting room once the AGM has started. Shareholders who are unable to attend the meeting still have the opportunity to submit a question to the Board by writing to Shareholder Relations at Barclays PLC, 1 Churchill Place, London E14 5HP or emailing privateshareholderrelations@barclays.com.

Please try to keep your questions short and relevant to the business of the AGM. We want all shareholders to have the opportunity to ask questions.

Can I ask a question about a customer issue?

If you would like to ask a question about a personal matter at the AGM you should go to the Customer Relations Point in the Exhibition Area. This is staffed by Senior Customer Relations personnel. All questions raised will be reviewed by the Chairman after the AGM and a reply will be sent out within 14 days.

Can I ask a question about my personal shareholding?

If you would like to ask a question about your personal shareholding you should go to the Shareholder Enquiry Point in the Exhibition Area. This is staffed by the Registrar and Barclays Stockbrokers and will be open both before and after the AGM.

Shareholders with special needs

I am hard of hearing/sight, do you provide any documents for people with disabilities?

Copies of this notice are available in large print, Braille or audio format. If you would like a copy in any of these alternative formats, please contact the Registrar to Barclays.

General Questions

If you have any further questions about the AGM or your shareholding, please contact the Registrar to Barclays from the UK on 0871 384 2055* or from overseas on +44 121 415 7004 or by email at questions@share-registers.co.uk.

* Calls to this number are charged at 8p per minute if calling from a BT landline. Call charges may vary if using other telephone providers.

Additional information for shareholders attending the Annual General Meeting

Venue

The AGM will be held at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX. A map showing the location of the venue can be found below or you can find more information at www.southbankcentre.co.uk/visiting-us/royal-festival-hall.

Date: Friday 30th April 2010

Time: The AGM will start promptly at 11.00am. You should allow 15 to 20 minutes for security and registration formalities.

Security

For safety reasons, security checks will be carried out on entry to the Royal Festival Hall. Please note that you will be asked to leave large bags in the cloakroom and small bags may be searched. No cameras, video recorders or tape recorders should be taken into the AGM. Mobile phones and other electronic communication devices should be turned off.

Cloakroom facilities

Cloakroom facilities will be available in the registration area.

Registration

Attendance Cards should be presented to the Registrar's staff, who will be available as you arrive at the venue. Corporate representatives, proxies and guests and Barclays Stockbrokers clients should register at the registration desks, which will be clearly signposted.

Persons with special needs

The Royal Festival Hall is easily accessible by wheelchair users and has lift access. Barclays staff will be on hand to guide you to the lifts.

Speech to text and hearing induction loop facilities will be available at the AGM. The AGM will also be signed.

An audio CD containing extracts from the 2009 Annual Review is available, free of charge, either on request from the Registrar or at the AGM.

First aid

First aid facilities will be available. Please approach any member of Barclays staff.

Refreshments

Tea and coffee will be available before the AGM. After the business of the AGM has been concluded, light refreshments will be available in the Exhibition Area.

Travelling to the AGM

The nearest tube stations are Waterloo on the Bakerloo, Northern, Jubilee and Waterloo & City lines, Embankment on the District and Circle lines and Charing Cross on the Northern and Bakerloo lines. The nearest overground train stations are Waterloo and Charing Cross. Buses stop on Waterloo Bridge, York Road, Belvedere Road and Stamford Street. Boats stop at Festival Pier.

AGM schedule

Friday 30th April 2010

10.00am

Registration desks open.
Tea and coffee available in the Exhibition Area.

Q&A registration opens.

11.00am

The AGM starts in the Meeting Room.

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1.00pm (approximately)

Light refreshments available in the Exhibition Area.

The results of the polls are expected to be released to the London Stock Exchange on Friday 30th April 2010.

How to find the Royal Festival Hall

[Go online](#)

Further information on our Annual Report

www.barclays.com/annualreport09

Printed on Revive Pure White Offset made from
100% FSC certified recycled fibre sourced from
de-inked post-consumer waste. The printer and
manufacturing mill are both credited with ISO14001
Environmental Management Systems Standard and
both are FSC certified

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Designed by Further

Barclays PLC

Attendance Card

Name

How to ask a question

If you intend to ask a question relating to the business of the meeting

You should register your question at the Question Registration Point in the Exhibition Area before the meeting starts. There is also provision to register your question within the meeting room once the meeting has started.

If you would like to ask a question about a personal matter

You should go to the Customer Relations Point in the Exhibition Area. This is staffed by Senior Customer Relations personnel who will be available before, during and after the meeting. All questions raised will be reviewed by the Chairman following the meeting and a reply will be sent out to you within 14 days.

Travelling to the AGM

The nearest tube stations are Waterloo on the Bakerloo, Northern, Jubilee and Waterloo & City lines, Embankment on the District and Circle lines and Charing Cross on the Northern and Bakerloo lines. The nearest overground train stations are Waterloo and Charing Cross. Buses stop on Waterloo Bridge, York Road, Belvedere Road and Stamford Street. Boats stop at Festival Pier.

Information for shareholders attending the 2010 AGM

The AGM will be held at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX on Friday 30th April 2010 at 11.00am. **Please note that this is a different venue from previous years.**

If you plan to attend the AGM, please bring this card with you. This card will allow you entry to the meeting with a minimum of formality. You will be given full instructions on what to do with this card at the appropriate time during the meeting.

An update on e-communications

We are making greater use of our website and email to communicate directly with shareholders. We now send Barclays e-view members regular, up to date information about their shareholding and Barclays performance direct to their inbox. Therefore, in future, we will not send you paper copies of shareholder documentation unless you have already positively told us that you would like to receive them. Please note that Barclays reserves the right to send you shareholder information by post should we feel it is appropriate. For more information, or if you have any questions, please visit our website www.barclays.com/investorrelations or contact the Registrar to Barclays.

Why not log on to Barclays e-view and see the benefits?

If you join Barclays e-view or are an existing e-view member, we will automatically enter you into our free prize draw to win one of five £200 cash prizes!

Barclays e-view is an easy and convenient way to:

Access your Barclays shareholding details and check your share sales, purchases or transfers;

Receive important shareholder information such as the Annual Review, Annual Report or Results Announcements directly to your email address;

View dividend information, including electronic tax vouchers;

Change your address and/or bank details online; and

Register your voting instructions for General Meetings.

For more details, see overleaf

Barclays PLC**Poll card for the Annual****General Meeting**

To be held at the Royal Festival Hall,

Southbank Centre, Belvedere Road,

London SE1 8XX

on Friday 30th April 2010 at 11.00am

This card should only be completed during the meeting

Holders of ordinary shares as well as proxies and authorised representatives of corporations are entitled to vote.

Please write an **X** in the For, Against or Vote Withheld box for each resolution below. If you wish to cast your votes partly for, partly withheld or partly against a resolution, you should write the number of votes cast For, Against or Vote Withheld in the appropriate box.**Signature(s)****Date**

Resolutions									
		Vote					Vote		
		For	Against	Withheld			For	Against	Withheld
1.	To receive the Reports of the Directors and Auditors and the audited accounts for the year ended 31st December 2009.	..	..	..	11.	To authorise the Directors to set the remuneration of the Auditors.	..	..	..
2.	To approve the Remuneration Report for the year ended 31st December 2009.	..	..	..	12.	To authorise the Company and its subsidiaries to make political donations and incur political expenditure.	..	..	..
3.	To re-elect Reuben Jeffery III as a Director of the Company.	..	..	..	13.	To authorise the Directors to allot securities.	..	..	..
4.	To re-elect Marcus Agius as a Director of the Company.	..	..	..	14.	To authorise the Directors to allot equity securities for cash other than on a pro rata basis to shareholders.	..	..	..
5.	To re-elect David Booth as a Director of the Company.	..	..	..	15.	To authorise the Company to purchase its own shares.	..	..	..
6.	To re-elect Sir Richard Broadbent as a Director of the Company.	..	..	..	16.	To authorise the Directors to call general meetings (other than an AGM) on not less than 14 clear days notice.	..	..	..
7.	To re-elect Sir Michael Rake as a Director of the Company.	..	..	..	17.	To adopt the Articles of Association.	..	..	..
8.	To re-elect Sir Andrew Likierman as a Director of the Company.	..	..	..	18.	To approve and adopt the Barclays Group SAYE share option scheme.	..	..	..
9.	To re-elect Chris Lucas as a Director of the Company.	..	..	..		
10.	To reappoint PricewaterhouseCoopers LLP as the Auditors of the Company.	..	..	..		

Why not log on to Barclays e-view and see the benefits?

An increasing number of shareholders choose to receive their Barclays communications electronically and are discovering the convenience of using the internet and email to find out about their shareholding and Barclays.

To enter the prize draw, please follow these 3 easy steps:

Step 1

Go to www.eviewsignup.co.uk

Step 2

Register for electronic communications by following the instructions onscreen.

Step 3

You will be sent an access number in the post the next working day.

If you have any questions, please contact the Registrar to Barclays.

Prize draw terms and conditions

The prize is a cheque for £200

1. We, Barclays PLC, are promoting the prize draw.
2. There will be five prize draws on Monday 10th May 2010.
3. The winners of the prizes will be the first five names drawn at random from all eligible entries.
4. The draw will be supervised by an independent observer.
5. The prize draw is open to our private shareholders who are aged 18 or over, live in the United Kingdom and either join e-view or have already joined e-view prior to 11.00am on Friday 7th May 2010. Each shareholder will be entered into the prize draw once.
6. You do not need to buy further shares to be entered into the prize draw.
7. We will provide the name and county of each winner, and the name of the independent observer, to anyone who sends a stamped address envelope to: The Manager, Shareholder Relations, Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP, within 28 days of the date of the draw (Monday 10th May 2010). The details will also be available on our website.
8. We will contact the prize winners within five working days of the draw and ask them for the address to which we should send the prize. We will send out the prizes within 10 working days of receipt of the address.
9. We will be responsible for all costs of sending out the prizes to the winners.
10. We can publish the name and county of each winner after the date of the final draw. We may ask each winner to allow us to publish a photograph of them and they must not refuse without good reason.
11. If you enter the prize draw we will assume that you accept these terms and conditions.
12. Our decision is final and we will not respond to any questions or complaints about it.
13. We are not responsible for any injuries, loss or damage of any kind arising from or in connection with the prize draw unless, by law, we must accept responsibility.

Barclays PLC

Explanatory notes

1. Voting

If you want to attend and vote at the Barclays AGM, you must be entered on the Company's register of members by no later than 6.00pm on Wednesday 28th April 2010. This time will still apply for the purpose of deciding if you are entitled to attend and vote if the meeting is adjourned for less than 48 hours. If the meeting is adjourned for a longer time and you still want to attend and vote, you must be on the Barclays register of members by no later than 6.00pm two days before the time fixed for the adjourned meeting.

2. Vote online

You can appoint a proxy to vote your shares online at www.barclays.com/investorrelations/vote. To log on you will need your Voting ID, Task ID and Shareholder Reference Number which are printed on the front of this form. Your votes must be registered by no later than 11.00am on Wednesday 28th April 2010.

3. Proxy

You are entitled to attend, speak and vote at the AGM or you can appoint one or more people (called proxies) to attend, speak and vote on your behalf. A proxy need not be a Barclays shareholder but must attend the meeting in person.

Write the name of the person you have chosen as your proxy in the box on the Proxy Form unless you wish to appoint the Chairman of the meeting. If no name is inserted, the Chairman of the meeting will be authorised to vote on your behalf.

If more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to different shares. Unless you complete the form to show how you want them to vote, your proxy or proxies can vote, or not vote, as they see fit, on any matter which is put before the meeting. To appoint more than one proxy, please photocopy the Proxy Form and indicate the number of shares that you are authorising them to act as your proxy for. Mark the box on the Proxy Form to show that you have appointed more than one proxy.

4. Revoking your proxy

If you complete the Proxy Form to appoint a proxy or proxies, this will not stop you from attending and voting at the meeting if you later find you are able to do so.

5. Authority and timing

To be valid, you must return this Proxy Form, together with a certified copy of the power of attorney or other authority (if any) under which it is executed, to the Registrar to Barclays, Aspect House, Spencer Road, Lancing, West Sussex BN99 6NA, United Kingdom, in the pre-paid envelope provided, so that it is received by no later than 11.00am on Wednesday 28th April 2010.

6. Joint shareholders

The signature of any one of the joint holders will be enough to appoint either the Chairman or one or more proxies to attend, speak and vote at the meeting.

7. Vote Withheld

The 'Vote Withheld' option is given to enable you to abstain on any particular resolution. The 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' a resolution.

8. Corporate shareholders

If you are attending as a representative of a shareholder that is a corporation, you will need to show our Registrars evidence that you have been properly appointed as a corporate representative to gain entry to the AGM.

9. Euroclear electronic proxy appointment service (CREST)

If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To be valid, the CREST message must be received by the receiving agent (ID RA19) no later than 11.00am on Wednesday 28th April 2010. For this purpose the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the receiving agent is able to retrieve the message. After this time, changes of instructions to proxies appointed through CREST should be communicated to the proxy by other means. If you are a CREST personal member or other CREST sponsored member, you should contact your CREST sponsor for help with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual (available via www.euroclear.com/CREST). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertified Securities Regulations 2001.

Shareholder information

If you need help, contact the Registrar to Barclays

Telephone

0871 384 2055*

(in the UK)

+44 121 415 7004

(from overseas)

Email

questions@share-registers.co.uk

Postal address

The Registrar to Barclays Aspect House

Spencer Road

Lancing, West Sussex BN99 6DA

United Kingdom

* Calls to this number are charged at 8p per minute if using a BT landline. Call charges may vary if using other telephone providers.

Important new information please remember to tell the Registrar to Barclays if you move home

After the AGM, if you hold 1,500 shares or less, you will be able to change your address quickly and easily over the telephone using the contact details above. If you hold more than 1,500 shares, you will need to write to the Registrar and provide a copy of your share certificate or most recent dividend tax voucher.

The paper used throughout this document is produced from Elemental Chlorine Free (ECF) pulps. The wood for these is sourced from fully sustainable forests. Additionally, the manufacturing mill is certified to ISO 9002 Quality Assurance standard, the ISO 14001 Environmental Management standard, and registered with EMAS (the Eco-Management and Audit Scheme).

Barclays PLC

Proxy Form for the Annual General Meeting

To be held at the Royal Festival Hall, Southbank Centre,
Belvedere Road, London SE1 8XX
on Friday 30th April 2010 at 11.00am



Voting ID:

Task ID:

Shareholder Reference Number:

You can vote your Barclays shares by completing and sending this form back in the enclosed pre-paid envelope, or you can vote online at www.barclays.com/investorrelations/vote. Before completing this form, please read the explanatory notes on the back of the form.

I/We hereby appoint the Chairman of the meeting, or _____ as my/our proxy to attend and vote on my/our behalf at the Annual General Meeting (AGM) of Barclays PLC (the Company) to be held on Friday 30th April 2010 and at any adjournment of that meeting.

Resolutions

The full wording of the resolutions and brief biographical details of those Directors standing for re-election at the 2010 AGM are in the Notice of Meeting which has been sent to you with this form. Please write an X in the For, Against or Vote Withheld box for each resolution below. If you do not complete the boxes below, the person you appoint as proxy can decide whether, and how, he or she votes in relation to any matter which is properly put before the meeting.

	Vote				Vote		
	For	Against	Withheld		For	Against	Withheld
1. To receive the Reports of the Directors and Auditors and the audited accounts for the year ended 31st December 2009.	11. To authorise the Directors to set the remuneration of the Auditors.

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Important: fold along this line

2. To approve the Remuneration Report for the year ended 31st December 2009.	12. To authorise the Company and its subsidiaries to make political donations and incur political expenditure.
3. To re-elect Reuben Jeffery III as a Director of the Company.	..	..	..	13. To authorise the Directors to allot securities.	..	..	..
4. To re-elect Marcus Agius as a Director of the Company.	..	..	..	14. To authorise the Directors to allot equity securities for cash other than on a pro rata basis to shareholders.	..	..	..
5. To re-elect David Booth as a Director of the Company.	..	..	..	15. To authorise the Company to purchase its own shares.	..	..	..
6. To re-elect Sir Richard Broadbent as a Director of the Company.	..	..	..	16. To authorise the Directors to call general meetings (other than an AGM) on not less than 14 clear days notice.	..	..	..
7. To re-elect Sir Michael Rake as a Director of the Company.	17. To adopt the Articles of Association.

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8.	To re-elect Sir Andrew Likierman as a Director of the Company.	18.	To approve and adopt the Barclays Group SAYE share option scheme.
9.	To re-elect Chris Lucas as a Director of the Company.	..	..	..		
10.	To reappoint PricewaterhouseCoopers LLP as the Auditors of the Company.	..	..	..		

.. Please indicate with an X if this Proxy Form is one of multiple instructions being given. Please refer to note 3 overleaf.

Signature(s)

Date

Please complete and return this Proxy Form in the enclosed pre-paid envelope so that it is received by the Registrar no later than 11.00am on Wednesday 28th April 2010.

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Barclays PLC Sharestore

Information for Sharestore members attending the 2010 AGM

Attendance Card

The AGM will be held at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX on Friday 30th April 2010 at 11.00am. **Please note that this is a different venue from previous years.**

Name

If you plan to attend the AGM, please bring this card with you. This card will allow you entry to the meeting with a minimum of formality. You will be given full instructions on what to do with this card at the appropriate time during the meeting.

How to ask a question

If you intend to ask a question relating to the business of the meeting

You should register your question at the Question Registration Point in the Exhibition Area before the meeting starts. There is also provision to register your question within the meeting room once the meeting has started.

If you would like to ask a question about a personal matter

You should go to the Customer Relations Point in the Exhibition Area. This is staffed by Senior Customer Relations personnel who will be available before, during and after the meeting. All questions raised will be reviewed by the Chairman following the meeting and a reply will be sent out to you within 14 days.

Travelling to the AGM

The nearest tube stations are Waterloo on the Bakerloo, Northern, Jubilee and Waterloo & City lines, Embankment on the District and Circle lines and Charing Cross on the Northern and Bakerloo lines. The nearest overground train stations are Waterloo and Charing Cross. Buses stop on Waterloo Bridge, York Road, Belvedere Road and Stamford Street. Boats stop at Festival Pier.



How we want to communicate with you

Your options

Sharestore Reference Number

We are making greater use of our website and email to communicate directly with Sharestore members.

We now send Barclays e-view members regular, up to date information about their shareholding and Barclays directly to their inbox.

We will not send paper shareholder documents to you unless you have positively told us that you would like to receive them.

1. Website

If you do not want to receive hard copy documents you do not need to take any further action. You can view the information on our website.

2. Email

If you would like to receive an email to tell you when shareholder information is available on the website, please join Barclays e-view at our secure website www.eviewsignup.co.uk.

3. Paper

If you would like to continue to receive paper documentation, please tell us which of the following documents you would like to receive and return the form to the Registrar in the enclosed pre-paid envelope.

Annual Review

This document is about 20 pages long and gives you a clear overview of our company and its financial position. ..

Full Annual Report

This document is about 350 pages long and gives you very detailed financial and other information. ..

Please note that Barclays reserves the right to send you shareholder information by post should we feel it is appropriate.

For more details, see overleaf



Barclays PLC Sharestore

Poll card for the Annual

General Meeting

This card should only be completed during the meeting

Members of Barclays Sharestore, their proxies and authorised representatives of corporations are entitled to vote.

Please write an **X** in the For, Against or Vote Withheld box for each resolution below. If you wish to cast your votes partly for, partly withheld or partly against a resolution, you should write the number of votes cast For, Against or Vote Withheld in the appropriate box.

to be held at the Royal Festival Hall,

Southbank Centre, Belvedere Road,

London SE1 8XX

on Friday 30th April 2010 at 11.00am

Signature(s)

Date

Resolutions

	For	Against	Vote Withheld		For	Against	Vote Withheld
1. To receive the Reports of the Directors and Auditors and the audited accounts for the year ended 31st December 2009.	11. To authorise the Directors to set the remuneration of the Auditors.	..	..	..
2. To approve the Remuneration Report for the year ended 31st December 2009.	12. To authorise the Company and its subsidiaries to make political donations and incur political expenditure.	..	..	..
3. To re-elect Reuben Jeffery III as a Director of the Company.	13. To authorise the Directors to allot securities.	..	..	..
4. To re-elect Marcus Agius as a Director of the Company.	14. To authorise the Directors to allot equity securities for cash other than on a pro rata basis to shareholders.	..	..	..
5. To re-elect David Booth as a Director of the Company.	15. To authorise the Company to purchase its own shares.	..	..	..
6. To re-elect Sir Richard Broadbent as a Director of the Company.	16. To authorise the Directors to call general meetings (other than an AGM) on not less than 14 clear days notice.	..	..	..
7. To re-elect Sir Michael Rake as a Director of the Company.	17. To adopt the Articles of Association.	..	..	..
8. To re-elect Sir Andrew Likierman as a Director of the Company.	18. To approve and adopt the Barclays Group SAYE share option scheme.	..	..	..
9. To re-elect Chris Lucas as a Director of the Company.				
10. To reappoint PricewaterhouseCoopers LLP as the Auditors of the Company.				

Why not log on to Barclays e-view and see the benefits?

If you join Barclays e-view or are an existing e-view member, we will automatically enter you into our free prize draw to win one of five £200 cash prizes!

An increasing number of shareholders choose to receive their Barclays communications electronically and are discovering the convenience of using the internet and email to find out about their shareholding and Barclays.

To enter the prize draw, please follow these 3 easy steps:

Step 1

Go to www.eviewsignup.co.uk

Step 2

Register for electronic communications by following the instructions onscreen.

Step 3

You will be sent an access number in the post the next working day.

If you have any questions, please contact the Registrar to Barclays.

Prize draw terms and conditions

The prize is a cheque for £200

1. We, Barclays PLC, are promoting the prize draw.
2. There will be five prize draws on Monday 10th May 2010.
3. The winners of the prizes will be the first five names drawn at random from all eligible entries.
4. The draw will be supervised by an independent observer.
5. The prize draw is open to our private shareholders who are aged 18 or over, live in the United Kingdom and either join e-view or have already joined e-view prior to 11.00am on Friday 7th May 2010. Each shareholder will be entered into the prize draw once.
6. You do not need to buy further shares to be entered into the prize draw.
7. We will provide the name and county of each winner, and the name of the independent observer, to anyone who sends a stamped address envelope to: The Manager, Shareholder Relations, Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP, within 28 days of the date of the draw (Monday 10th May 2010). The details will also be available on our website.
8. We will contact the prize winners within five working days of the draw and ask them for the address to which we should send the prize. We will send out the prizes within 10 working days of receipt of the address.
9. We will be responsible for all costs of sending out the prizes to the winners.
10. We can publish the name and county of each winner after the date of the final draw. We may ask each winner to allow us to publish a photograph of them and they must not refuse without good reason.
11. If you enter the prize draw we will assume that you accept these terms and conditions.
12. Our decision is final and we will not respond to any questions or complaints about it.
13. We are not responsible for any injuries, loss or damage of any kind arising from or in connection with the prize draw unless, by law, we must accept responsibility.

Barclays PLC

Explanatory notes

1. Voting

If you want to attend and vote at the Barclays AGM, you must be entered on the Sharestore register of members by no later than 6.00pm on Wednesday 28th April 2010. This time will still apply for the purpose of deciding if you are entitled to attend and vote if the meeting is adjourned for less than 48 hours. If the meeting is adjourned for a longer time and you still want to attend and vote, you must be on the Sharestore register of members by no later than 6.00pm two days before the time fixed for the adjourned meeting.

2. Vote online

You can appoint a proxy to vote your shares online at www.barclays.com/investorrelations/vote. To log on you will need your Voting ID, Task ID and Sharestore Reference Number which are printed on the front of this form. Your votes must be registered by no later than 11.00am on Wednesday 28th April 2010.

3. Proxy

You are entitled to attend, speak and vote at the AGM or you may instruct Equiniti Corporate Nominees Limited to appoint one or more people (called proxies) to attend, speak and vote on your behalf. A proxy need not be a Barclays shareholder but must attend the meeting in person.

Write the name of the person you have chosen as your proxy in the box on the Proxy Form unless you wish to appoint the Chairman of the meeting. If no name is inserted, the Chairman of the meeting will be authorised to vote on your behalf.

If more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to different shares. Unless you complete the form to show how you want them to vote, your proxy or proxies can vote, or not vote, as they see fit, on any matter which is put before the meeting. To appoint more than one proxy, please

photocopy the Proxy Form and indicate the number of shares that you are authorising them to act as your proxy for. Mark the box on the Proxy Form to show that you have appointed more than one proxy.

4. Revoking your proxy

If you return this form to appoint someone (either the Chairman of the meeting or the person named) to attend and vote on your behalf and you have not revoked that instruction by 11.00am on Wednesday 28th April 2010 you will not be able to change your instruction. This means that you could attend the meeting but not vote in person at the meeting itself.

5. Authority and timing

To be valid, you must return this Proxy Form, together with a certified copy of the power of attorney or other authority (if any) under which it is executed, to the Registrar to Barclays, Aspect House, Spencer Road, Lancing, West Sussex BN99 6NA, United Kingdom, in the pre-paid envelope provided, so that it is received by no later than 11.00am on Wednesday 28th April 2010.

6. Joint Sharestore members

The signature of any one of the joint holders will be enough to appoint either the Chairman or one or more proxies to attend, speak and vote at the meeting.

7. Vote Withheld

The 'Vote Withheld' option is given to enable you to abstain on any particular resolution. The 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' a resolution.

8. Corporate Sharestore members

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If you are a representative of a corporation which is a Sharestore member, you will need to show our Registrars evidence that you have been properly appointed as the corporation's representative to gain entry to the AGM.

Shareholder information

If you need help, contact the Registrar to Barclays

Telephone

0871 384 2055*

(in the UK)

+44 121 415 7004

(from overseas)

* Calls to this number are charged at 8p per minute if using a BT landline. Call charges may vary if using other telephone providers.

Email

questions@share-registers.co.uk

Postal address

The Registrar to Barclays Aspect
House Spencer Road Lancing,
West Sussex BN99 6DA

United Kingdom

Important new information please remember to tell

the Registrar to Barclays if you move home

After the AGM, if you hold 1,500 shares or less, you will be able to change your address quickly and easily over the telephone using the contact details above. If you hold more than 1,500 shares, you will need to write to the Registrar and provide a copy of your Annual Sharestore Statement of Entitlement or most recent dividend tax voucher.

The paper used throughout this document is produced from Elemental Chlorine Free (ECF) pulps. The wood for these is sourced from fully sustainable forests. Additionally, the manufacturing mill is certified to ISO 9002 Quality Assurance standard, the ISO 14001 Environmental Management standard, and registered with EMAS (the Eco-Management and Audit Scheme).

Barclays PLC SharestoreTo be held at the Royal Festival Hall, Southbank
Centre, Belvedere Road, London SE1 8XX**Proxy Form for the
Annual General Meeting**

on Friday 30th April 2010 at 11.00am

Name

Address Line1

Address Line 2

Town/City

Postcode

+

Voting ID:**Task ID:****Sharestore Reference Number:**

+

You can vote your Barclays shares by completing and sending this form back in the enclosed pre-paid envelope, or you can vote online at www.barclays.com/investorrelations/vote. Before completing this form, please read the explanatory notes on the back of the form.

I/We hereby instruct Equiniti Corporate Nominees Limited to appoint the Chairman

of the meeting, or to attend and vote on my/our behalf at the Annual General Meeting (AGM) of Barclays PLC (the Company) to be held on Friday 30th April 2010 and at any adjournment of that meeting.

Resolutions

The full wording of the resolutions and brief biographical details of those Directors standing for re-election at the 2010 AGM are in the Notice of Meeting which has been sent to you with this form. Please write an **X** in the For, Against or Vote Withheld box for each resolution below. If you do not complete the boxes below, the person you appoint as proxy can decide whether, and how, he or she votes in relation to any matter which is properly put before the meeting.

	Vote				Vote		
	For	Against	Withheld		For	Against	Withheld
1. To receive the Reports of the Directors and Auditors and the audited accounts for the year ended 31st December 2009.	11. To authorise the Directors to set the remuneration of the Auditors.	..	..	..

Important: fold along this line

2. To approve the Remuneration Report for the year ended 31st December 2009.	12. To authorise the Company and its subsidiaries to make political
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				donations and incur political expenditure.					
3.	To re-elect Reuben Jeffery III as a Director of the Company.	13.	To authorise the Directors to allot securities.
4.	To re-elect Marcus Agius as a Director of the Company.	..	..	..	14.	To authorise the Directors to allot equity securities for cash other than on a pro rata basis to shareholders.	..	..	..
5.	To re-elect David Booth as a Director of the Company.	..	..	..	15.	To authorise the Company to purchase its own shares.	..	..	..
6.	To re-elect Sir Richard Broadbent as a Director of the Company.	..	..	..	16.	To authorise the Directors to call general meetings (other than an AGM) on not less than 14 clear days notice.	..	..	..
7.	To re-elect Sir Michael Rake as a Director of the Company.	..	..	..	17.	To adopt the Articles of Association.	..	..	..
8.	To re-elect Sir Andrew Likierman as a Director of the Company.	..	..	..	18.	To approve and adopt the Barclays Group SAYE share option scheme.	..	..	..
9.	To re-elect Chris Lucas as a Director of the Company.	..	..	..		
10.	To reappoint PricewaterhouseCoopers LLP as the Auditors of the Company.	..	..	..		

.. Please indicate with an X if this Proxy Form is one of multiple instructions being given.

Please refer to note 3 overleaf.

Signature(s)

Date

Please complete and return this Proxy Form in the enclosed pre-paid envelope so that it is received by the Registrar no later than 11.00am on Wednesday 28th April 2010.

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The term "Barclays PLC Group" means Barclays PLC together with its subsidiaries and the term "Barclays Bank PLC Group" means Barclays Bank PLC together with its subsidiaries. "Barclays" and "Group" are terms which are used to refer to either of the preceding groups when the subject matter is identical. The term "Company", "Parent Company" or "Parent" refers to Barclays PLC and the term "Bank" refers to Barclays Bank PLC. The term "Absa Group Limited" is used to refer to Absa Group Limited and its subsidiaries and the term "Absa" is used to refer to the component of the Global Retail and Commercial Banking segment represented by this business. In this report, the abbreviations "£m" and "£bn" represent millions and thousands of millions of pounds sterling respectively; the abbreviations "US\$m" and "US\$bn" represent millions and thousands of millions of US Dollars respectively and "€m" and "€bn" represent millions and thousands of millions of euros respectively.

Information and discussion is provided on pages 31 to 80 and page 3 relating to the Group's total results rather than separating out discontinued operations, representing the Barclays Global Investors (BGI) business sold on 1st December 2009. These non-IFRS measures are provided because management considers that including BGI as part of Group operations and separately identifying the gain on this disposal provides more useful information about the performance of the Group as a whole and better reflects how the operations were managed until the disposal of BGI. The consolidated summary income statement on page 30 provides a reconciliation between continuing and total Group results.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "expect", "intend", "plan", "goal", "believe" or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges, business strategy, capital ratios, leverage, payment of dividends, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures, and plans and objectives for future operations and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic and global economic and business conditions, the effects of continued volatility in credit markets, market related risks such as changes in interest rates and exchange rates, effects of changes in valuation of credit market exposures, changes in valuation of issued notes, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation, the success of future acquisitions and other strategic transactions and the impact of competition – a number of such factors being beyond the Group's control. As a result, the Group's actual future results may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements.

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Any forward-looking statements made herein speak only as of the date they are made. Except as required by the UK Financial Services Authority (FSA), the London Stock Exchange or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any change in Barclays expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has filed or may file with the SEC.

About Barclays

Listed in London and New York, Barclays is a major global financial services provider engaged in retail banking, credit cards, corporate and investment banking, and wealth management with an extensive international presence in Europe, United States, Africa and Asia.

Our performance in brief

Group profit before tax was £11,642m, 92% up on 2008, including the £6,331m gain on sale from the disposal of Barclays Global Investors (BGI)

Global Retail and Commercial Banking generated good income growth of £1,004m (7%) to £16,097m

Investment Banking and Investment Management recorded very strong profit growth driven by Barclays Capital's profit before tax increase of 89% to £2,464m (2008: £1,302m) and the sale of BGI

BGI was sold resulting in a profit on disposal of £6,331m and a retained 19.9% economic interest in the enlarged BlackRock group (the disposed business is treated as discontinued operations below)

Core Tier 1 capital ratio was 10.0% at 31st December 2009 (2008: 5.6%) and Tier 1 capital ratio was 13.0% (2008: 8.6%)

Income statement highlights Group total

For the year ended 31st December	2009			2008
	Continuing £m	Discontinued £m	Total £m	Total £m
Total income net of insurance claims	29,123	1,863	30,986	23,115
Impairment charges and other credit provisions	(8,071)		(8,071)	(5,419)
Operating expenses	(16,715)	(1,137)	(17,852)	(14,366)
Gain on sale of Barclays Global Investors		6,331	6,331	

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Profit before tax	4,585	7,057	11,642	6,077
Profit attributable to equity holders of the Parent	2,628	6,765	9,393	4,382
Basic earnings per share			86.2p	59.3p
Dividend per ordinary share			2.5p	11.5p
Return on average shareholders' equity			23.8%	16.5%
Cost:income ratio			58%	62%
Core Tier 1 ratio			10.0%	5.6%

Contribution to Group total in

come

£m

Global Retail and Commercial Banking comprised:

- UK Retail Banking
- Barclays Commercial Bank
- Barclaycard
- GRCB Western Europe
- GRCB Emerging Markets
- GRCB Absa

Investment Banking and

Investment Management

comprised:

- Barclays Capital
- Barclays Global Investors
- Barclays Wealth

Barclays at a glance

Barclays operates a universal banking business model helping the Group stay strong, profitable and independent throughout the crisis.

In November 2009, Barclays restructured the Group so the businesses could better support customers and clients. The 2009 Annual Report and Accounts reflects the Group's reporting structure in place during 2009.

Global Retail and Commercial Banking (GRCB)

UK Retail Banking	Barclays Commercial Bank	Barclaycard	GRCB Western Europe	GRCB Emerging Markets
UK Retail Banking provides a wide range of products, investment and banking services to small businesses, retail and affluent customers as well as offering a gateway to more specialised services from other parts of Barclays.	Barclays Commercial Bank provides banking services to customers via a network of relationship, regional, industry-sector and product specialists.	Barclaycard is a multi-brand international credit card, consumer lending and payment processing business. Barclaycard is one of the leading credit card businesses in Europe, with a fast growing business in the United States and South Africa.	GRCB Western Europe serves approximately 2.8 million retail and commercial banking customers in France, Italy, Portugal, Spain and Russia through 1,300 distribution channels.	GRCB Emerging Markets serves retail and commercial banking customers in Botswana, Egypt, Ghana, India, Kenya, Mauritius, Pakistan, Seychelles, Tanzania, Uganda, the UAE, Zambia, Indonesia and Zimbabwe.

Key points

Over 300 years of history and expertise in banking

Over 50 countries in which we operate

144,200 employees

48 million customers and clients globally

Investment Banking and Investment Management

GRCB
Absa
GRCB Absa offers a complete range of banking products and services, including current accounts, savings products, bancassurance, mortgages, instalment finance as well as customised business solutions for commercial and large corporate customers.

Barclays
Capital
Barclays Capital is a global investment bank, which offers clients the full range of services covering strategic advisory and M&A; equity and fixed income capital raising and corporate lending; and risk management across foreign exchange, interest rates, equities and commodities.

Barclays Global
Investors
BGI transformed the investment industry by creating the first index strategy in 1971 and the first quantitative active strategy in 1979. On 1st December 2009, Barclays completed the sale of BGI to BlackRock.

Barclays
Wealth
Barclays Wealth provides international and private banking, fiduciary services, investment management, and brokerage and works closely with all other parts of the Group to leverage synergies from client relationships and product capabilities.

06

Barclays PLC Annual Report 2009

www.barclays.com/annualreport09

Group Chairman's statement

Marcus Agius

Barclays recognises the vital economic and social purpose that banks play, and we are committed to meeting our responsibilities to stakeholders and society in general.

Key points

Regulation needs to be strengthened but it must not result in a financial system that cannot serve the needs of the global economy

2009 has been another difficult year for a number of the major economies in the world and this has continued to impact not just the banking industry, but also our customers and our clients. Despite the exceptional efforts of governments, central bankers and regulators to stabilise matters in the second half of 2008 particularly in the UK confidence generally continued to decline to dangerously low levels in early 2009. And while conditions improved as the year progressed such that essential stability in the financial system has now been restored the resulting impact in terms of higher global economic growth has still to be felt. Good progress has been made within the G20 forum as to the nature and extent of future regulations for the banking industry and there is a reasonable measure of international consensus as to the future measures which will need to be implemented. Regulation remains the focus of intense international debate, however, and much work remains to be done in order to deliver an effective solution on a co-ordinated basis.

At Barclays we believe it is important that the banking industry itself learns the lessons from the crisis given the economic and financial costs that have arisen. I said in my report to shareholders last year and I repeat it now that we very much regret the problems that banks have caused. We also acknowledge and are grateful for the help and assistance given to the banking sector by governments across the world. We are determined that there must be no repeat of the turmoil that has affected the industry and wider economy, and fully recognise that changes have to be made. Banks must earn once more the confidence and trust of key stakeholders such as customers and clients, employees, shareholders, regulators, politicians and society in general. While much remains to be done in this respect, we should not lose sight of what has already been achieved, particularly in the UK, in terms of strengthening capital ratios and improving liquidity across the sector, whilst also reducing leverage.

The regulatory reform agenda is a vital component of rebuilding confidence and trust and providing a healthy, stable and sound financial system, but it is essential that this agenda produces a level playing field internationally. Both financial and human capital are mobile and in the absence of internationally agreed standards, such capital will migrate to take advantage of differences in regulation. We therefore welcome the efforts by bodies such as the Financial Stability Board and the Basel Committee to produce internationally agreed standards and we will continue to co-operate

with these international agencies as they work towards determining these standards.

It is also important that we do not seek to regulate too hastily or, in the understandable desire to avoid a repetition of recent events, go too far in terms of the reform agenda. Regulation needs to be strengthened but it must not result in a financial system that cannot serve the needs of the global economy. As recent events have shown, the financial sector has become increasingly interconnected in recent years in support of the trends in globalisation which have occurred. It follows that new solutions must be carefully balanced and fully thought through and agreed before implementation. We must take the time properly to understand the consequences and in particular the cumulative impact of the regulatory reforms being contemplated. We must ensure that the end result achieves three objectives:

First, a safer and more secure financial system;

Second, a banking industry that is well equipped to support the needs of the global economy; and

Third, the ability of the suppliers of capital to earn an economic return on their capital. All parties need to have confidence that any new regulation will be effective, but it must not be so heavy-handed as to restrict the banking industry's ability to support economic growth or to limit its ability to attract new capital in the future.

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Barclays own focus in 2009 was to maintain strategic momentum despite the difficult environment. In particular, we have:

Significantly strengthened our capital and liquidity positions and reduced our leverage;

Focused on our customers and clients;

Managed the business through the economic downturn, by a combination of income growth, strong cost control and careful risk management; and

Contributed to the evolving debate on the future of the industry.

Group Chairman's statement

continued

Compensation has been the subject of considerable comment over the last 12 months. We understand public concerns over bank bonuses and are fully committed to implementing the Financial Stability Board Implementation Standards endorsed by the G20 and the FSA Remuneration Code. We will ensure that our remuneration systems do not reward failure but only reward long-term success and only on a risk adjusted basis. The Board HR and Remuneration Committee has exercised careful governance over the process for determining overall levels of compensation with the objective of maximising long-term shareholder value by restricting compensation to the minimum level consistent with retaining high quality employees in an intensely competitive international marketplace for talent. A full report is contained in the Remuneration Report on pages 170 to 186.

Looking forward, the competitive and regulatory environment will be very different from the recent past. Barclays strategy will evolve in response to these changes but we remain committed to the universal banking model since we believe that the diversification benefits of this model have protected shareholders from the worst effects of the crisis over the last two years. And as the global economy becomes more interlinked, it will continue to require integrated and international banks that are able to serve the needs of the increasing number of large multinational companies (and other major clients, such as sovereign governments themselves) that require a broad range of services from their banks, including credit provision, payments capability, access to the capital markets and the ability to manage the financial risks they face, such as interest rate, foreign exchange rate and commodity price risk.

This requirement to serve the needs of our customers and clients highlights the economic and social roles played by banks. The banking

industry, through its core activities of payments, delivering safe storage for deposits, lending, asset management and investment banking, plays a key role in the smooth functioning and well being of economies. We exist to enable our customers to achieve and progress their financial objectives. And it will be critical to the future growth of the global economy that integrated banks such as Barclays are able to continue to finance the increase in global trade that has led to such an increase in living standards in both developed and developing economies.

At Barclays, we are committed to meeting our responsibilities to stakeholders. These include customers and clients, shareholders, employees, government and regulators and society in general. We recognise in particular that we have a responsibility to:

Support appropriate risk-taking by customers;

Treat our customers fairly;

Invest for the future;

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Act as a responsible global citizen;

Pay responsibly;

Manage our affairs prudently and in a way that creates confidence;

Produce good returns for our shareholders; and

Pay our fair share of taxes to the revenue authorities.

These have been and will be our guiding lights as we seek to regain the trust and confidence of stakeholders. And we are under no illusion that this will take time and that we will be judged by our actions.

Banks must recognise that we must earn once more the confidence and trust of key stakeholders such as customers and clients, employees, shareholders, regulators, politicians and society in general

Barclays focus in 2009 was to maintain strategic momentum despite the difficult environment

Board changes

There have been a number of Board changes during the year with five Directors leaving the Board and two new non-executive Directors being appointed. I stated in last year's report that Sir Nigel Rudd and Professor Dame Sandra Dawson would retire at the 2009 Annual General Meeting. Stephen Russell retired in October after nine years' dedicated service, including six years' sterling work as Chairman of the Board Audit Committee. Patience Wheatcroft retired from the Board in order to take up a position as Editor in Chief, *Wall Street Journal* Europe. All made a valuable contribution, particularly during the recent crisis, and we wish them well. Amongst the executive Directors, we were sad to see Frits Seegers leave the Group in November following changes to the structure of the Group. On behalf of the Board, I would like to thank Frits for his significant efforts on Barclays behalf and wish him success for the future.

We appointed two new non-executive Directors during the year, Simon Fraser and Reuben Jeffery. Simon brings valuable experience from his time as Chief Investment Officer for Fidelity International and Reuben has extensive experience in investment banking, regulation and government services.

Marcus Agius

Group Chairman

9th March 2010

£35bn of new lending to UK households and businesses of all sizes

Barclays continues to support businesses throughout the downturn

Local businesses and start-ups supported through the Enterprise Finance Guarantee (EFG)

At the beginning of 2009, we committed to making an additional £11bn new credit available to the UK economy. At the end of 2009, the actual figure was over £35bn with around half to businesses, including support for more business start-ups in 2009 than for many years. A particular focus has been on viable local businesses that, because they cannot offer sufficient security to meet normal commercial lending, would not otherwise be able to obtain finance for their business to survive and grow.

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We announced a further £88m in early 2010 to lend through the EFG, to help more businesses obtain finance. Under the scheme the Government guarantees a proportion of the lending if the customer is unable to repay the debt and loans are available to businesses with sales turnover of up to £25m operating in the UK.

We have worked closely with the Government on the scheme and have already made available over £150m in EFG loans in the last year.

We have been a leading supporter of support schemes for local businesses since the downturn began. In addition to providing nearly one in every four EFG loans across the UK last year, we continued to provide loans receiving European Investment Bank (EIB) support in 2009 with over £330m of finance approved as eligible for EIB cash back.

For more information on Barclays lending

go to www.barclays.com/annualreport09

Leadership and governance

Board of Directors

Marcus extensive background in banking began at Lazard where he worked from 1972 to 2006, latterly as Chairman of Lazard in London and Deputy Chairman of Lazard LLC. He was Chairman of BAA plc until 2006 and is currently Senior Independent Director of the British Broadcasting Corporation (BBC) and Chairman of the Trustees of The Royal Botanic Gardens.

Term of office: Marcus joined the Board in September 2006 as a non-executive Director and was appointed Chairman on 1st January 2007. Marcus was last re-elected by shareholders at the AGM in 2009.

Independent: On appointment

External appointments: Senior Independent Director of the BBC since 2006. Chairman of the Trustees of the Royal Botanic

Sir Richard has experience of both the private and public sector having worked in high-level banking roles and the Civil Service. He was the Executive Chairman of HM Customs and Excise from 2000 to 2003. Formerly a member of the Group Executive Committee of Schroders PLC and a non-executive Director of the Securities Institute. Sir Richard is Chairman of Arriva PLC.

Term of office: Sir Richard joined the Board in September 2003. Appointed Senior Independent Director on 1st September 2004 and Deputy Chairman on 16th July 2009. Sir Richard was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of Arriva PLC since 2004. Executive Chairman of HM Customs and Excise until 2003. Former Group Executive Committee member of Schroders PLC. Non-executive Director of the

David manages his own venture capital investments, having retired from the Management Committee of Morgan Stanley in 1997. David was employed by Morgan Stanley from 1982 to 1992, and again from 1995 to 1997. He held various key positions there, including Head of Government Bond Trading, Head of Mortgage Trading, Sales and Finance and Head of Global Operations and Technology.

Term of office: David joined the Board in May 2007. David was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Director of East Ferry Investors, Inc. Trustee of the Brooklyn Botanic Garden. Various positions at Morgan Stanley & Co. until 1997. Director of the Discount Corporation of New York until 1993.

Leigh is Chairman of Qantas Airways Limited, a Director of Bechtel Group Inc, Chairman of Bechtel Australia Pty Ltd and Senior Adviser to Kohlberg, Kravis, Roberts and Co. Leigh joined the Rio Tinto Group in 1970 and was a Director of Rio Tinto plc from 1994 and Rio Tinto Limited from 1995, and was Chief Executive of the Rio Tinto Group from 2000 until 2007.

Term of office: Leigh joined the Board in October 2004. Leigh was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of Qantas Airways Limited since November 2007. Chairman of Bechtel Australia Pty Ltd since July 2009. Director of Bechtel Group Inc since July 2009. Senior Adviser to Kohlberg Kravis Roberts & Co since January 2009. Chairman of the

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Gardens, Kew. Chairman of The Foundation and Friends of the Royal Botanic Gardens, Kew. Chairman of Lazard in London and Deputy Chairman of Lazard LLC until 2006. Chairman of BAA plc until 2006.

Committee membership:

Chairman of the Board Corporate Governance and Nominations Committee since January 2007. Member of the Board HR and Remuneration Committee since January 2007.

Securities Institute until 1995.

Committee membership: Member of the Board Risk Committee since April 2004 (Chairman January 2006 to December 2009). Chairman of the Board HR and Remuneration Committee since January 2007 (member since April 2004). Member of the Board Corporate Governance and Nominations Committee since September 2004.

Committee membership: Chairman of the Board Risk Committee since January 2010 (member since January 2008). Member of Board Corporate Governance and Nominations Committee since January 2010.

Murdoch Childrens Research Institute since December 2009. Board Member of the National Gallery of Victoria Foundation. Chief Executive of Rio Tinto from 2000 until 2007. Director of Freeport-McMoran Copper & Gold Inc. until 2004.

Committee membership: Member of the Board HR and Remuneration Committee since July 2005. Member of the Barclays Asia Pacific Advisory Committee.

Fulvio is currently Chief Executive Officer and General Manager of Enel SpA, the Italian energy group, where he was previously Chief Financial Officer from 1999-2005. Fulvio has held a number of high-level financial roles, including Chief Financial Officer and General Manager of Telecom Italia and General Manager and Chief Financial Officer of Ferrovie dello Stato. He was also head of the accounting, finance, and control department of Montecatini and was in charge of finance at Montedison-Compart. He has held positions in finance and operations in various affiliates of Mobil Oil Corporation in Italy and Europe.

Term of office: Fulvio joined the Board in April 2006. Fulvio was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chief Executive of Enel SpA since

Simon has extensive experience of the institutional fund management industry, having worked at Fidelity International from 1981 to 2008, latterly as President of the Investment Solutions Group and President of the Retirement Institute. Simon held a number of positions during his career at Fidelity International, including President, European & UK Institutional Business, Global Chief Investment Officer, Chief Investment Officer for Asia Pacific and Chief Investment Officer of the European Investment Group. Simon remains a Director of Fidelity European Values PLC and Fidelity Japanese Values PLC.

Term of office: Simon Fraser joined the Board in March 2009. Simon was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Director of Fidelity European Values PLC since July 2002. Director of Fidelity Japanese Values PLC since May 2000. Director of The Merchants Trust PLC

Reuben is a Senior Adviser at the Center for Strategic & International Studies in Washington, D.C. and previously served in the US government as Under Secretary of State for Economic, Energy and Agricultural Affairs (2007-2009). Prior to joining the Department of State, Reuben was the Chairman of the Commodity Futures Trading Commission (2005-2007) and before that held a number of positions in US government service (2002-2005). He spent 18 years at Goldman, Sachs & Co. between 1983-2001, where he was managing partner of Goldman Sachs in Paris and of the firm's European Financial Institutions Group in London.

Term of office: Reuben Jeffery joined the Board in July 2009.

Independent: Yes

External appointments: Senior Adviser at the Center for Strategic & International Studies, Washington D.C.

Sir Andrew is Chairman of the National Audit Office, having held a number of public roles in the financial services sector, including Managing Director, Financial Management, Reporting and Audit and Head of the Government Accountancy Service at HM Treasury and non-executive Director of the Bank of England. Sir Andrew is also Dean of the London Business School. He has been at the London Business School from 1974-1976, 1979-1993 and since 2004.

Term of office: Sir Andrew joined the Board in September 2004. Sir Andrew was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Dean of the London Business School since January 2009. Chairman of the National Audit Office since December 2008. Trustee of the Institute for Government since September 2008. Chairman of Applied Intellectual Capital Inc. until 2008. Non-executive Director of the

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2005. Director of ENDESA SA since June 2009. Director of AON Corporation since January 2008. Chief Financial Officer and General Manager of Telecom Italia until 1999. General Manager and Chief Financial Officer of Ferrovie dello Stato until 1998.

Committee membership: Member of the Board Audit Committee since September 2006.

since August 2009. Director and Chairman Designate of Foreign & Colonial Investment Trust PLC since September 2009.

Committee membership: Member of the Board Audit Committee since May 2009. Member of the Board HR and Remuneration Committee since May 2009.

Committee membership: Member of Board Risk Committee since January 2010.

Bank of England until 2008. Non-executive Director and Vice-Chairman of the Tavistock and Portman NHS Trust until 2008. Non-executive Director and Chairman of the MORI Group until 2005.

Committee membership: Member of the Board Audit Committee since September 2004. Member of the Board Risk Committee since September 2004.

Sir Michael is currently Chairman of BT Group PLC, Chairman of the UK Commission for Employment and Skills and Chairman of easyJet plc. Sir Michael previously worked at KPMG from 1974-2007 where he spent a number of years in Continental Europe and the Middle East. He was Senior Partner of the UK firm from 1998-2000 and Chairman of KPMG International from 2002-2007.

Term of office: Sir Michael joined the Board in January 2008. Sir Michael was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of BT Group PLC since 2007. Chairman of easyJet plc since January 2010 (Deputy Chairman June 2009-December 2009). Director of the Financial Reporting Council since 2007. Chairman of the UK Commission for Employment and Skills since 2007. Director of the McGraw-Hill Companies since 2007. Chairman of KPMG International until 2007. Chairman of Business in the Community from 2004 until 2007.

Sir John is Chairman of Merlin Entertainments Limited. Until July 2008 he was Chairman of Cadbury Schweppes PLC, having worked at Cadbury's in various roles, including that of Chief Executive, since 1968. He is a Director of the Financial Reporting Council, an Adviser to CVC Capital Partners, an Association Member of BUPA and a Governor of both Reading and Aston University Councils.

Term of office: Sir John joined the Board in June 2005. Sir John was last re-elected by shareholders at the AGM in 2009.

Independent: Yes

External appointments: Chairman of Merlin Entertainments Limited since December 2009. Deputy President of the Chartered Management Institute 2008-2009 (President 2007-2008). Director of the Financial Reporting Council since 2004. Adviser to CVC Capital Partners. Chairman of Cadbury

Key responsibilities

Board of Directors

The Board is collectively responsible for the success of the Group: the executive Directors are directly responsible for running the business operations and the non-executive Directors are responsible for bringing independent judgement and scrutiny to decisions taken by the Board. In addition to their statutory duties, the Directors must ensure that the Board focuses effectively on all its accountabilities. The Board determines the strategic objectives and policies of the Group to deliver long-term value, providing overall strategic direction within an appropriate framework of rewards, incentives and controls.

Executive Committee

The Board delegates the responsibility for the day-to-day management of the Company to the Group Chief Executive and he is responsible for ensuring that the business is operating effectively. The Group Chief Executive chairs the Executive Committee, which supports him in this role. The Executive Committee is supported by a number of management committees, including the Disclosure Committee, the Group Governance and Control Committee, the Group Risk Oversight Committee and the Group Brand and Reputation Committee.

Further information on the responsibilities of the Board and the Executive Committee can be found in the Corporate Governance Report on pages 151 to 169.

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Committee membership: Chairman of the Board Audit Committee since March 2009 (member since January 2008). Member of the Board Risk Committee since May 2009. Member of Board Corporate Governance and Nominations Committee since May 2009.

Schweppes PLC until July 2008. Deputy President of the CBI until June 2008 (former member and President). Non-executive Director of the Rank Group PLC until 2006.

Committee membership: Member of the Board Corporate Governance and Nominations Committee since September 2006. Member of the Board HR and Remuneration Committee since July 2005.

John was appointed Group Chief Executive of Barclays on 1st September 2004, prior to which he had been Group Deputy Chief Executive from 1st January 2004. He joined Barclays in 1982 and has held various positions across the Group, including the position of Group Finance Director from 2000 until the end of 2003. He was Chief Executive of Retail Financial Services from 1998 to 2000 and Chairman of the Asset Management Division from 1995 to 1998. Following the sale of BGI, John is a non-executive Director of BlackRock, Inc. John is also a non-executive Director of AstraZeneca PLC. He is Chairman of Business Action on Homelessness, President of the Employer's Forum on Disability, Honorary President of the UK Drug Policy Commission and a member of the International Advisory Panel of the Monetary Authority of Singapore.

Term of office: John joined the Executive Committee in September 1996 and was appointed to the Board in June 1998. John was last re-elected at the AGM in 2009.

External appointments:

Non-executive Director of BlackRock, Inc since December 2009. Non-executive Director of AstraZeneca PLC since 2006. Non-executive Director of British Grolux Investments Limited since 1999. Chairman of Business Action on Homelessness since 2006. President of the Employer's Forum on Disability since 2005. Honorary

Robert E Diamond Jr is responsible for the Corporate and Investment Banking and Wealth Management businesses of the Barclays Group, comprising Barclays Capital, Barclays Corporate and Barclays Wealth. Bob was formerly Vice Chairman and Head of Global Fixed Income and Foreign Exchange at CS First Boston and he was a member of the Executive Board and Operating Committee of CS First Boston. Following the sale of BGI, Bob is a non-executive Director of BlackRock Inc.

Term of office: Bob was appointed President and became an executive Director in June 2005. He has been a member of the Barclays Executive Committee since September 1997. Bob was last re-elected by shareholders at the AGM in 2009.

External appointments:

Non-executive Director of BlackRock, Inc. Chairman, Board of Trustees of Colby College, Waterville, Maine. Chairman, Old Vic Productions Plc. Trustee, The Mayor's Fund for London. Member of the Advisory Board, Judge Business School. Member of International Advisory Board, British-American Business Council. Life Member of The Council on Foreign Relations. Member of The International Advisory Board, The Atlantic Council.

Chris has worked across financial services for most of his career, including three years in New York as Head of the US Banking Audit Practice of PricewaterhouseCoopers LLP. Chris joined Barclays from PricewaterhouseCoopers LLP, where he was UK Head of Financial Services and Global Head of Banking and Capital Markets. He was Global Relationship Partner for Barclays for the 1999-2004 financial years and subsequently held similar roles for other global financial services organisations.

Term of office: Chris was appointed Group Finance Director and became a member of the Executive Committee in April 2007. Chris was last re-elected by shareholders at the AGM in 2009.

External appointments: UK Head of Financial Services and Global Head of Banking and Capital Markets of PricewaterhouseCoopers LLP until 2006.

President of the UK Drug Policy Commission since 2007. Member of the International Advisory Panel of the Monetary Authority of Singapore since 2006.

Leadership and governance

Executive committee

See page 11 for full biography.

See page 11 for full biography.

See page 11 for full biography.

Jerry is responsible for the firm's Global Markets businesses, encompassing the Trading, Sales and Research functions globally. He joined Barclays Capital in June 1997 from Bankers Trust in London where he had been a Senior Managing Director of Derivatives Products, responsible for the European business. Prior to this, he was based in Toronto, Canada, where he was responsible for the Canadian Dollar interest rate derivatives business. Before Bankers Trust, he worked for the Bank of Nova Scotia. Jerry currently serves on the Boards of SIFMA (Securities Industry and Financial Markets Association), Room to Read and Queen's University.

Mark joined Barclays as Group General Counsel in 2003. Included within his area of responsibility are legal and regulatory compliance issues throughout the bank. He chairs the Group Operating Committee and Group Governance and Control Committee. Previously, Mark was a partner in the international law firm, Clifford Chance, where his practice spanned bank finance, capital markets and financial services regulation. He spent four years at UBS as General Counsel of its investment bank. Mark is past Chairman of the General Counsel 100 Group and of the Board of the International Swaps and Derivatives Association (ISDA). He is a Governor of the College of Law.

Antony was appointed Chief Executive of Global Retail Banking and joined the Barclays Executive Committee in November 2009. Prior to that he had been Chief Executive of Barclaycard since January 2006. Antony is a Barclays appointed non-executive Director of Absa, which is majority owned by Barclays. Since October 2008, Antony has been on the Board of Visa Europe Ltd.

Tom joined Barclays in September 1996 after 18 years at JP Morgan where he held a number of roles, including Head of Fixed Income Sales, Trading and Research, and was responsible for all activities with investors in the United States. He has served on the US Treasury Borrowing Advisory Committee and is a former Chair of the US Bond Market Association, a predecessor organisation to SIFMA (Securities Industry and Financial Markets Association).

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Robert has been the Chief Risk Officer for Barclays Group since 2004. He first joined Barclays in 2002 as Head of Risk Management at Barclays Capital. Robert is a non-executive Director of Absa, which is majority owned by Barclays. Before joining Barclays, Robert spent most of his career at JP Morgan in the capital markets, fixed income, emerging market and credit areas in New York and London.

Maria is the Group Chief Executive of Absa Group Ltd, which is majority owned by Barclays. Prior to joining Absa on 1st March 2009, she was Group Chief Executive of Transnet Limited, the state-owned South African freight transport and logistics service provider. This was after a successful term as Director-General of the National Treasury (formerly the Department of Finance). Maria is an accomplished academic, who has previously taught at various institutions. She currently serves on the executive committees of the International Business Council, the World Bank Chief Economist Advisory Panel, Business Trust (South Africa), Business Leadership South Africa and the Banking Association of South Africa.

Rich joined Barclays Capital in 1994 and assumed responsibility for several of its support areas. He became Chief Operating Officer (COO) of Barclays Global Investors (BGI) and a member of the BGI Executive Committee in December 2002. In January 2005, Rich was appointed COO of Barclays Investment Banking and Investment Management businesses comprising Barclays Capital, Barclays Wealth and BGI. Prior to joining Barclays Capital, Rich held senior front-office, finance and technology positions at the Bank of Boston and the Bank of New England.

Cathy was appointed as Group Human Resources Director in April 2005 prior to which she held the position as Investor Relations Director for four years. In July 2008 her remit was extended to include Strategy, Corporate Affairs and Brand and Marketing. Prior to Barclays, Cathy was a Practice Leader at Ernst and Young and has previously held roles at Deloitte, Watson Wyatt, Percom and Volex Plc. Cathy is a Council Member of the Royal College of Art and a Board Member of the IFS School of Finance.

Group Chief Executive's review

John Varley

Our key output goal is to produce top quartile total shareholder returns over time. We achieved that goal for 2009.

Summary

Our primary objective is generating returns for shareholders. But we recognise that we can, and should, in ways consistent with that objective, contribute to the well-being of society by conducting our business responsibly and by performing well, on behalf of our customers, our core functions of payments and money transmission, safe storage of deposits, maturity transformation and lending, and the provision of advice and execution in underwriting and trading. These activities lie at the heart of economic activity in a modern economy, and if economies are to grow and reap all the beneficial consequences that flow from that growth then banks must help those they serve take appropriate risks. Getting this balance between our obligation to create returns for our owners and our need to do that in a responsible way has never been more important.

Economic slowdown last year impacted most parts of the world in which we operate. But despite that, I am pleased with the way we have performed both in 2009 and in the two tumultuous years which preceded it. That performance allows us to enter 2010 with confidence.

During 2009, we increased our income substantially. Barclays Capital had a very strong year across all global franchises, in particular as its businesses in North America started to reap the benefits of the acquisition of the Lehman Brothers North American business and integration. We have invested during 2009 in building out our equities and advisory platforms in Europe and Asia, which will be sources of income growth in Barclays Capital in the years ahead. Barclaycard also produced good income growth. The steadiness of our profit performance over the past three years, even after absorbing the impact of higher impairments and the continued legacy of credit market writedowns, is attributable to the diversification of income that we have built during recent years.

It was clear as we came into 2009 that the regulatory balance sheet should be an area of considerable focus during the year. So we have strengthened our capital position, reduced leverage and added to our liquidity buffer. We are, by consequence, both well prepared for any future economic weakness and also able to continue to execute on our strategy as opportunities arise.

In March, we decided not to participate in the UK Government's Asset Protection Scheme, following the application of a detailed stress test by the UK Financial Services Authority to determine our resilience to stressed credit risk, market risk and economic conditions. This test confirmed our expectation that we would continue to be able to meet our regulatory capital obligations.

In April, we announced our intention to sell the iShares business of Barclays Global Investors (BGI). Following unsolicited interest for the whole of BGI, and strategic analysis of the optimal ownership structure within the future asset management industry given the direction of regulation, we

agreed in June to sell the whole of BGI to BlackRock, Inc. (BlackRock). We completed this transaction in December for an aggregate consideration of \$15.2bn (£9.5bn), realising a profit on disposal of £6.3bn. Our shareholders will be able to participate in the institutional asset management sector through our continuing holding of 37.567 million new BlackRock shares. This gives us an economic interest of 19.9% in the enlarged BlackRock group, and also provides a strong basis for a new commercial relationship between Barclays and BlackRock, which will be particularly relevant to Barclays Capital as a provider, and Barclays Wealth as a consumer. Bob Diamond and I look forward to contributing to the progress of this new global leader in asset management as members of the BlackRock Board of Directors.

Across our retail and commercial banking activities we continued to consolidate our position in our core markets through organic revenue, cost and risk management measures. We took advantage of inorganic opportunities as they arose. In September, we established a long-term life insurance joint venture with CNP Assurances (CNP) in Spain, Italy and Portugal. In the same month, we agreed to acquire the Portuguese credit card business of Citibank International plc, adding some 400,000 new credit card customers to our Portuguese business as we continued to invest in the expansion of our GRCB Western European retail operations. And in October we agreed to acquire Standard Life Bank Plc from Standard Life Plc, adding an attractive mortgage and savings book to our UK Retail business. This acquisition completed in early January 2010.

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2009 priorities

In my review a year ago, I said that we had three priorities for 2009: staying close to customers and clients; managing our risks and maintaining strategic momentum. How did we fare in these areas?

Staying Close to Customers and Clients: In the dense fog that was brought down on the industry by the credit crunch, it was clear that we needed a powerful magnetic north – customers. The rapid economic slowdown of 2008 and 2009 has complicated the lives of many of those that we serve. Our job in 2009 was to stay close to them as they sought to navigate the risks and the opportunities thrown up by the crisis. The income line is a good proxy for customer activity levels and customer relationships. And our income generation in 2009 achieved record levels.

I am pleased with the number of new mortgage, savings, Premier accounts and Local Business customers we have added in UK Retail Banking and with the increase in customer account balances.

In Barclays Commercial Bank, we were able to increase average asset and deposit balances in a difficult business environment.

In Barclaycard, we rolled out a number of initiatives to offer support to customers in financial difficulties whilst limiting our exposure to the most at risk segments of the market.

Group Chief Executive's review

continued

There is a lot of focus from stakeholders on the willingness of banks to lend, and of course availability of credit is a critical component of economic stabilisation and regeneration. In April 2009, we said that we would make an additional £11bn of lending available to UK households and businesses. In fact, our gross new lending to UK households and businesses in 2009 totalled some £35bn, indicating both that we were open for business, and that we were able to extend credit on terms which we regard as prudent.

Our retail and commercial banking businesses in GRCB Western Europe, where we now serve almost three million customers, have continued to grow. In addition to the CNP joint venture and cards acquisition in Portugal, we added nearly 100 new branches in Italy and 50 in Portugal and attracted almost £8bn of new customer deposits as we increased our focus on the asset:liability mix of our business flows in these markets. Our task looking forward is to ensure this business produces sustainable profits, which will require it to be less reliant on one-offs than it has been in the past two years.

In the developing countries of the world in which we operate, our performance in the ten mature markets of Africa and the Indian Ocean where we are present has been strong. GRCB Emerging Markets as a whole made a loss. We now serve almost four million customers across these markets, but we have been too aggressive in our approach to business expansion here over the past two years. This business must now convert investments made in the last three years (in terms of people, customer recruitment and sales outlets) into sustainable profits.

GRCB Absa performed resiliently in a very difficult economic environment. Notable during the year was its ability to continue to grow customer deposit balances, particularly for the South African consumer.

Our success in Barclays Capital is reflected both in the exceptional revenue progress across 2009 and also in some of the client and market-nominated awards which it has won over the year. These included Primary Debt House of the Year from Euromoney, IFR Bond House of the Year, Derivative House of the Year from *Risk* magazine and the Number 1 Ranking for US Equity Research and US Fixed Income Research in the Annual Institutional Investor All-America Team surveys.

In Barclays Wealth we continued to attract client assets at a time of great uncertainty. Our intention for 2010 and beyond is to accelerate growth in the High Net Worth businesses.

Managing Our Risks: As we expected, 2009 was another year of vicious testing of our risk management. In February, we shared with the market our planning assumption for loan loss rates for 2009, indicating that we expected them to be in the range of 130 to 150 basis points, predicated on

certain macroeconomic assumptions. The economies of the world in which we do business performed worse in 2009 than our central planning case had projected at the beginning of the year. Despite that, our loan loss rate was 135bps on a consistent basis^a, towards the bottom end of the 130-150bps range we planned for. This is evidence of the robust risk management and planning procedures we have in place. And although impairment rose significantly in 2009 versus 2008 (and in certain areas of our business could rise further in 2010), a combination of strong income and good cost control enabled us, though substantial profit generation, to enter 2010 with our Core Tier 1 capital ratio at 10.0%. At the same time, we reduced our leverage to 20x, from 28x, and our total assets by 33%, and we increased the surplus of liquid assets in the balance sheet by £84bn.

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Governments, regulators and banks are currently focused on many of these metrics of financial and risk management health as they seek to ensure that the excesses of the previous economic cycle, and the costs of financial failure that have resulted from it, are not repeated. We support these moves and are committed to adapting our business to the changes that result.

Those reforms need to balance three things: the need for a safer financial system, the importance of economic growth and the ability of the suppliers of bank capital to earn appropriate returns. The achievement of those twin objectives, which is so important to the world over the course of the next decade, will be facilitated by a strong and supportive banking system providing credit, managing risk and supporting innovation. An important dimension of the reform agenda is that decisions about investment banking are based on science and experience, not on rhetoric. There has been much talk about gambling by investment banks. Barclays Capital no more gambles in the work it does on behalf of its clients than the clients do themselves. Its work is the work of risk management and financing. Its job is to help governments, companies and investors around the world raise money, stimulate economic growth, create employment, and manage pensions and other savings. This is a real economy role.

Investment banking plays an important part in the universal banking model that we have built in Barclays because many of those that we serve need to have access to the capital markets, and because we cannot meet their financing and risk management needs without having a strong advisory, execution and trading capability within the Group. History and the current crisis demonstrate that the performance of the capital markets businesses and retail and commercial businesses is naturally asymmetrical. The asymmetry of their respective income and impairment cycles provides a strong source of resilience. The effects and benefits of that are very clear in the performance of

November 2009: Regrouping of activities

Global Retail Banking

In 2009, Global Retail Banking (GRB) businesses were resilient in unsettling and challenging times. We have shown that we are strongly positioned to build and grow in a tough environment. For example, the acquisitions of Standard Life Bank and Citigroup's credit card business in Portugal show our appetite and capabilities to maximise on market opportunities, whether through organic or inorganic growth.

Looking forward, I am very excited about the potential for GRB in 2010 and beyond. We want to be the best retail bank in our chosen markets and to be seen as a leader in our industry. We want to grow our non-UK business and increase, over time, the ratio of non-UK to UK business. The emphasis is on creating critical mass in markets where we have a greater presence. Our ambition is depth, not breadth.

To help us achieve this, our key priorities for this year are:

Profit growth and profit diversification;

Improving our liquidity – the ratio between loans and deposits;

Deeper penetration of our existing markets and international diversification; and

Generation of net equity.

Delivering on these priorities and ensuring that we maintain control over every aspect of our operations are key to achieving our ambitions and strategy. The external environment has been extremely difficult, but when the cycle turns, the profits of GRB and its contribution to Barclays Group will shift significantly.

Antony Jenkins

Chief Executive,

Barclays during this cycle. That is one of the principal benefits of the universal banking model; the others include: capital and funding efficiencies; and business and risk diversification. Forcing banks to adopt narrow business models, as some have suggested as part of the ongoing reform dialogue, will not make the system safer. There has been no correlation so far in this crisis between failure and the popular dichotomies drawn of bank business models: big or small; narrow or broad; domestic or international.

Maintaining Strategic Momentum: Despite the regulatory uncertainty that will continue to confront the industry this year, our strategic path remains clear to increase the growth potential of Barclays by continuing to diversify our business by customer, product and geography. That strategy lay behind the broadening of our executive Committee^b and changes to senior management responsibilities that I announced in November 2009.

The executive Directors of the Group, Bob Diamond, Group President, Chris Lucas, Group Finance Director, and myself, have been joined on the Executive Committee by the leaders of a number of Barclays business units and control and governance functions. We have also regrouped our activities to form:

Global Retail Banking (GRB), comprising UK Retail Banking, Barclaycard and the former Western Europe and Emerging Markets businesses, led by Antony Jenkins.

Corporate and Investment Banking (CIB), comprising Barclays Capital and Barclays Commercial Bank (now called Barclays Corporate); Jerry del Missier and Rich Ricci are Co-Chief Executives of Corporate and Investment Banking.

GRB focuses on mass consumers, mass affluent consumers and small business customers. We have significantly changed the footprint here over the past three years, and we intend to push that forward, increasing, through time, the ratio of non-UK to UK business whilst strengthening our UK franchises. We will place particular emphasis on creating appropriate scale in the markets in which we have a presence. As we do that, our objectives will be four-fold: profit growth; an improved loan-to-deposit ratio; further international diversification through deepening existing presences; and the generation of net equity.

Barclays Corporate, as part of CIB, focuses on the high end of what we used to call Barclays Commercial, particularly financial institutions, public sector entities and corporate clients. We brought this business alongside Barclays Capital within CIB because we see significant synergy in sharing relationship management and sector expertise across the two. Realisation of that synergy is enabled by the increasing fungibility of client requirements

between traditional corporate banking and investment banking product needs within our client base. This is a global opportunity with significant income growth potential for CIB in the years ahead. Our early work has only reinforced that strongly held belief.

In the area of wealth management, the competitive landscape in the global industry has gone through a sea change over the course of the last three years. That creates opportunity, and we intend to seize that by investing to change the scale of this business over the next five years.

Remuneration

Recognising the political and regulatory focus on remuneration practices, and the interest of both our shareholders and our staff in the topic, it is important for me to say that we see compensation as a means of supporting the implementation of strategy in a way that best serves the interests of our shareholders. So our objective in this area is to ensure that we use remuneration well, making it the servant of the interests of our owners. We aim to achieve an appropriate balance between paying dividends to shareholders, investing in the business, strengthening our capital ratios and paying staff appropriate compensation. I don't pretend that achieving that balance is always easy, or that the judgements involved are straightforward. The market for the best people is both global and intensely competitive. Banking is a service industry and, if we are to remain successful, we must attract and retain the best people. We have to pay for performance but, I emphasise, we seek to pay no more than the amount consistent with competitiveness.

Our compensation framework is determined by the Board HR and Remuneration Committee, a sub-committee of the Group Board which is chaired by our Deputy Chairman, Sir Richard Broadbent. My recommendations to the Remuneration Committee and its decisions are only made after appropriate input from the Board Group Risk Committee and the Group Chief Risk Officer to ensure that the level of risk within the business and the quality of underlying profits generated are taken properly into account. The Remuneration Committee has also considered the impact on profits of our usage of Government and Central Bank schemes, higher liquidity requirements and the shape of the yield curve.

Our discretionary pay awards for 2009 are fully compliant with the FSA Remuneration Code and the Financial Stability Board Implementation Standards, endorsed by the G20. This has resulted in an increase in the deferred awards by approximately 70% and greater use of equity in deferral structures, particularly to senior staff. 100% of the discretionary pay awards for 2009 to our Executive Committee will be deferred.

Corporate and Investment Banking and Wealth Management

In November 2009 we announced changes to the management structure and leadership team of the Barclays Group. The formation of Corporate and Investment Banking and Wealth Management was designed to accelerate the execution of our strategy, continue to adjust dynamically to the changing environment, and respond rapidly to client and customer needs.

Now is the time for execution, for capitalising on the progress we have made and for seizing the opportunity before us.

By moving Commercial Banking, now Barclays Corporate, into the new Corporate and Investment Banking and Wealth Management grouping, we signalled our desire to extend the already attractive synergies and working practices among our three global businesses, Barclays Corporate, Barclays Capital and Barclays Wealth. Barclays Corporate is a great business, with superb relationships, a client-focused culture, and outstanding prospects around the globe.

Barclays is now one of a handful of leading global universal banks able to offer the full array of products and services to clients, and we are gathering momentum as we increase market share in all our franchises. This new structure allows us to serve our clients even better.

We have a unique opportunity, and we are determined to take advantage. We have the right model, the right culture and the right people to succeed as long as we continue to manage our risks and our costs, deliver flawless execution of our plans, and maintain our momentum. Most important of all, however, we must as always, stay close to our clients who need us more than ever.

Robert E Diamond Jr

Chief Executive,

Corporate and Investment Banking
and Wealth Management

Group Chief Executive's review

continued

The overall quantum of compensation we pay is designed to ensure that we exceed the FSA's minimum capital requirements at all times. We understand how important it is to our shareholders that we maintain Core Tier 1 ratio well in excess of regulatory minima. A direct and intended consequence of our decisions on pay has been the further strengthening of this ratio. Meanwhile, we have been able to meet the commitment that we announced in April 2009 to resume dividend payments and we seek to ensure that we manage the business in such a way (including in relation to compensation) as facilitates the adoption of a conservative but progressive dividend policy.

Our approach to the UK Bank Payroll Tax since the tax was announced in December last year has been to manage the compensation pool in such a way that the cost of the tax to the Group broadly equates to a reduction in the size of the pool, with the reduction being borne by senior executives. The cost to the Group of the UK Bank Payroll Tax in respect of 2009 cash compensation is £190m, and £35m in respect of certain prior year awards which may fall within the proposed legislation. Where a liability arises in subsequent years, we will follow the same approach.

2010 strategic framework

The economic outlook remains uncertain. The worst of the financial crisis is behind us, but the environment remains unpredictable, and for that reason, we have to be very clear about the strategic framework in which we will be doing business in 2010 and beyond. The principal components are as follows:

1. We will continue to act as responsible corporate citizens. We will ensure that our wider responsibilities to society are reflected in how we act. To the extent consistent with what is required of us by our regulators and with our obligations to shareholders, we will continue to play our part as a source, via service to customers and clients, of economic growth and job creation in the geographies in which we operate. We must behave constructively to help our customers and clients as they cope with the economic downturn and to support governments and supervisors as they deal with the effects of the financial crisis.
2. We will ensure that we maintain a sound financial and organisational footing that anticipates and adapts to the regulatory changes that will be required from us. The Basel authorities announced a package of proposed reforms in December on which they are consulting. We are working hard to advocate regulatory consistency; to ensure that the cumulative impact of intended reforms on the economy is well understood, and to ensure the reforms are implemented over sufficiently extended transitional periods to enable the banking industry to support economic growth and job creation. We will be obliged to accommodate such changes as are finally enacted over the coming years and we will have the ability over the period to take mitigating actions. Meanwhile, we are seeking to anticipate many of the changes that may be required of us in the areas of capital, leverage and liquidity. It is within our power to be net generators, rather than consumers, of capital, which our performance in 2009 demonstrates. We will maintain high levels of liquidity, and we will be very attentive to the size and composition of our balance sheet. In particular, we will manage leverage tightly, and we will seek to bring down, over time, our loan to deposit ratio. Stress testing has been institutionalised across Barclays in recent years. This is also now part of the FSA supervision cycle. We will ensure that we continue to monitor regularly our responsiveness to changing economic, market and operational environments and align our views with those of our regulator.

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3. We have recommenced dividend payments in accordance with our prior commitments. We will make three quarterly fixed payments in 2010 and a final variable payment relating to the calendar year 2010 in March 2011. Given uncertainty about the full consequences of regulatory reform, prudence dictates that our dividend policy should be conservative. But, subject to that caveat, we intend our dividend policy to be progressive relative to a 2009 annualised dividend of 4.5 pence per share.
4. Our allocation of capital across the Group will continue to be made on both an economic and strategic basis, reflecting our goal of increasing the international diversification of our income sources in the pursuit of medium-term growth. So we will nurture Barclays Wealth, Barclays Corporate, Absa and GRB, whilst ensuring that Barclays Capital takes advantage of the structural changes in the investment banking sector. 2010 will be another year, however, in which we put returns before growth, and where prudence will determine our approach to balance sheet size.
5. Notwithstanding the regulatory uncertainty which colours the goals I have described so far, we must deliver another year of significant profitability. The balance of earnings is also important to us, and we continue over time to target two-thirds of our profits coming from GRB, Absa, Barclays Wealth and Barclays Corporate and one-third from Barclays Capital.

Absa

Since its establishment in 1991, Absa has grown into a well-diversified financial services group and although 2009 has been a test of our resilience as an organisation, I am satisfied that we have delivered solid underlying performance, improved our risk management and continued to strengthen our balance sheet. Absa maintains a strong capital base and is well positioned for future growth. During the year we launched our One Absa strategy which aims to drive an integrated approach across all of our businesses so that our customers are serviced in a seamless manner. Our strategic objectives are supported by four key pillars:

Achieving sustainable growth in targeted markets;

Embedding balance sheet optimisation and proactive risk management;

Ensuring a simple streamlined Group for customer delivery; and

Instilling a customer and people centred ethos in our organisation.

Implementation of the strategy is a key priority and in this regard we have reorganised the top management team to drive a disciplined focus on delivery. With the economic prospects in 2010 expected to remain uncertain, we are confident that our strategy is robust and positions us well to capitalise on the growth opportunities that emerge.

Maria Ramos

Group Chief Executive

Absa Group Ltd

Goals

As I stated at the time of our Interim Results last August, our key output goal is to produce top quartile total shareholder returns (TSR) over time. We achieved that goal for 2009, generating a TSR of 80% for 2009, at the upper end of our peer group^c. But I recognise that for many shareholders the starting point from which this return was generated was unacceptably low. We will continue to measure our performance against this output goal.

We will carefully manage multiple input goals. These include economic profit; overall balance sheet size and leverage; risk weighted assets (RWAs) and the returns they generate; the level of our Core Tier 1 capital; our return on equity; our overall funding and liquidity positions, and our loan to deposit ratio as part of this; our comparative income and cost performance (the jaws); and dividend payments.

Our medium-term goal is to generate an average return on equity that exceeds our cost of equity over the cycle. In 2009 and again in 2010, the combination of very high levels of capital and the relatively high cost of capital make this a very stretching target. But we are well aware of the direction in which our shareholders expect us to be moving in this context, and we have constructed our medium-term plans accordingly.

Conclusion

We have over 144,000 employees worldwide who have helped us weather the economic storm of the last two and a half years. They have not allowed the events in the market place to distract them from attending to the needs of those they serve; on behalf of the Board, I thank them warmly. They are as determined as I am that we shall meet the expectations of our owners in the year ahead, by putting the resources of the Group to work on behalf of our customers and clients.

John Varley

Group Chief Executive

Notes

a On consistent year end loans and advances balances and impairment at average 2008 foreign exchange rates.

b The following have been promoted to the Group Executive Committee: Antony Jenkins, Chief Executive of Global Retail Banking; Tom Kalaris, Chief Executive of Barclays Wealth; Rich Ricci, Co-Chief Executive of Corporate and Investment Banking; Jerry del Missier, Co-Chief Executive of Corporate and Investment Banking; Maria Ramos, Chief Executive of Absa; Mark Harding, Group General Counsel; Robert Le Blanc, Chief Risk Officer; Cathy Turner, Group Head of Human Resources and Corporate Affairs.

c TSR (Total Shareholder Return) is defined as the value created for shareholders through share price appreciation, plus reinvested dividend payments and is compared against a peer group containing Banco Santander, BBVA, BNP Paribas, Citigroup, Deutsche Bank, HSBC, JP Morgan Chase, Lloyds Banking Group, Royal Bank of Scotland, Unicredit and UBS.

Maintaining strategic momentum

Premier, full-service, global investment bank delivering through the cycle

Providing holistic solutions for customers

Strong client franchise reflected by top-line income of £17.9bn; up 81%

The past year has seen us deliver on our vision to be a premier, full-service, global investment bank. This means we have the scope and the scale to compete against the very best firms in all the different businesses in all of the different regions. Our Fixed Income, Currency and Commodities businesses (FICC) are top three globally, and our new Equities and M&A advisory franchises are building real momentum and delivering excellent results. Our vision means achieving leading positions for our clients in every region and in every business in which we compete.

Our clients continue to come to us with their business challenges, and we are using the breadth and depth of our expertise to help address their needs comprehensively. We are expertly placed to service the needs of our clients, whether it is a government looking to raise syndicated debt, an institutional investor wanting to increase its equities exposure or a large corporate undertaking a rights issue. We provide holistic solutions for our clients.

This is what we mean when we say that our client focus is driving our business. We are helping our clients to meet their challenges, and the scope of how we can help them is wider than ever. And this is what makes Barclays Capital such an exciting place to be right now. We are now one of a handful of leading global, full-service investment banks. Our businesses are growing with speed, discipline and focus, resulting in a full-service offering much greater than the sum of those businesses.

We're having new conversations with existing clients. We're delivering for clients we've never worked with before. And we're using the strength of our full-service franchise to make a real difference to their success.

Further information on Barclays Capital is available at

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The role of banks and banking in society

The severity of the current financial crisis and the magnitude of public support that has been channelled into the financial sector have prompted a heated debate about the role, scale and usefulness of banks. In this article from *The Sunday Telegraph*, John Varley provides a summary of how we have responded.

My belief is that the work of banks is important to the economies of the world; and is therefore important to society. But with that role goes the obligation to conduct our business responsibly and to support economic progress.

Most customers that I speak to say that they want to get back on track, to move forward again and to put the recession behind them. They want their bank to focus on providing them with the means to build opportunity, security and a better future. And they want their bank to put its strength and resources at their disposal in a way that is at once helpful and prudent. To them, that is what supporting economic progress means.

The causes behind the financial crisis are complex and have already been well rehearsed. The industry has much to be sorry for, and, as the chief executive of a big bank, I have expressed sorrow and regret for the errors that we, as a sector, made. Without decisive, determined and significant action to restore confidence by authorities around the world, including here in the UK, the banking system would have collapsed. Even those banks that did not take capital from governments clearly benefited (and continue to benefit) from these actions. We are grateful for them, and our behaviour should acknowledge that benefit.

The task of governments, regulators and banks alike is to learn the lessons of the last two years and to ensure that nothing like this happens again. Decisions have to be taken about the banking industry that will influence its shape and direction over the next 30 years – decisions relating to capital, funding and liquidity, leverage, provisioning, accounting and compensation. We have already seen considerable change since the start of the crisis: banks are much better capitalised; leverage is down materially; liquidity buffers have increased; risk management practices have been strengthened. But there will be more change.

This means there is an important and difficult trade-off to be engineered between improving the stability of the financial system on the one hand and stimulating and supporting economic growth on the other. As policy-makers strive to get the balance right, we should not lose sight of the fact that, no matter how painful this crisis, the world is in a much better place today than it was 30 years ago. Over that period, even having taken into account the impact of the current recession, the net growth in global GDP is well above 120%, representing a real per capita increase of more than

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40%. That growth lifted millions of people around the world out of poverty and gave billions of people a better life. The benefit has been felt as much in the developing world as the developed. Maintaining it, and continuing to make people's lives better because of it, requires change, but judicious change. And that includes the requirement that we, the banks, define our core purpose in a way that people understand and support.

Banks contribute to society through five core activities: providing reliable and efficient payment systems; delivering safe storage (for deposits and savings); maturity transformation (or the conversion of savings into loans); asset management; and what is loosely referred to as investment banking.

The core activities of an investment bank

Some question the utility of investment banking. I want to explore the point here for a moment. What lies behind the question is the presumption that investment banking is gambling. But it is clear to me that the three core activities of an investment bank—advice, execution and funding, each of which I describe below (note that proprietary trading is not a core function)—are critical to the health of the real economy, because those activities are aimed at helping clients generate the real economy outputs of investment, trade, wealth generation, and employment. Investment banks are vital intermediaries in the economic system—connecting sources of funds with investment opportunities. History shows that healthy global GDP growth requires funding support from the capital markets.

I will illustrate. A list of some clients on whose behalf Barclays Capital, our own investment bank, has been active recently (a matter of public record) does not reveal names that you would associate with gambling. These include Her Majesty's Government; The Kingdom of Spain; The Republic of France; The Republic of South Africa; Roche; Pfizer; Sainsbury's; British Telecom; Vodafone; Novartis; Centrica; EDF; London Stock Exchange; John Lewis; Network Rail; Harvard University and General Electric.

These governments and companies are no more involved in gambling than we are gambling by serving them. They represent the real economy. We support them with their financing and risk management needs which, in turn, drive economic growth. While I have cited household names, the companies we serve in the area of financing and risk management include

Key points

Banks provide:

Reliable and efficient payment systems

Safe storage for deposits and savings

Maturity transformation

Asset management

Investment banking

thousands of mid-sized companies as well as manufacturing and service businesses which may not be household names but which employ a large proportion of the UK workforce.

What does financing and risk management mean? As I have noted, there are three activities in an investment bank. The first is providing advice. This means working with clients to design solutions for their needs, whether they are financing government debt; raising funds to build a new factory; raising funds to complete an acquisition; or hedging the risk of foreign currency, commodity or interest rate volatility to ensure certainty of cash flow.

The second is execution. The investment bank helps clients put in place whatever solution has been designed, irrespective of who designed it. This could involve ensuring new equity or debt makes its way from investors to the company. Banks commit to ensure that such issuance will be successful by promising to take whatever investors do not. Execution could also involve structuring a risk management solution by purchasing appropriate securities and packaging them to meet client objectives. Banks take risks here to help their clients absorb and manage their own risk.

The third is funding. The efficiency of markets for new issuance (whether debt or equity) is entirely reliant on the existence of effective and efficient secondary markets through which equity and debt securities are traded. Secondary market activity (that is daily dealing in the stock market) signals investor appetite for different types of transactions; provides clear benchmarks for pricing and lowers the cost of issuance. Market makers (like Barclays Capital) play a critical role in maintaining the efficiency of traded markets by ensuring that clients can always get access to a price and can be confident that individual markets will be available when they need them.

All three of these activities have clear relevance to the health of the real economy. If you switch off investment banking, you switch off a fundamental supply of credit to companies and governments. Our analysis suggests that global economic growth of 4% per annum (which I would argue is what the world needs to create employment and relieve poverty through time) requires global capital markets to grow at twice that rate – 8%. I cannot think of a better way to demonstrate the social utility of investment banking activity. And if you think of the societal issues that confront our world – an ageing population, a lack of infrastructure supporting economic growth, the need for greater health provision, climate change – broadly based banks with capital markets capabilities have the skills to help. They help with savings and investment products to support the privatisation of welfare provision; with financing resource in the areas of health provision and

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infrastructure and with trading skills in the area of the management of carbon emissions.

Regulation in banking

The new regulatory structure will require banks to hold more capital and more liquidity. There will be a new focus on top down supervision to ensure that regulators have the tools to manage collective risk (in particular, the amount of debt) in the system. Products must be simpler and more transparent. And incentives and compensation must be better aligned to delivery, must take account of risk, and must be paid out over time. Good performance should be rewarded fairly. Bad performance should not. This is something we have always believed.

On compensation specifically, the international agreement on reforms to the structure of remuneration that were announced by the G20 in September is a good step forward. The British banks have committed to

implementing those, as well as the new FSA Code on Remuneration. At Barclays, we have been working on reforming our remuneration practices since the beginning of this year. Our historical practices were generally well aligned with the changes afoot, but we are amending where we need to. This is, though, difficult territory. On the one hand, we must be sensitive to the views of many stakeholders that bankers are paid too much. On the other, we have to recognise that talent is not a commodity, and that our shareholders and customers expect Barclays to field the best people we can across all of our businesses. We compete in global markets, and labour has, in my experience, never been more mobile. We will strive to get the balance right here. Our objective is to pay the minimum compensation consistent with competitiveness and performance.

Those calling for an age of simpler, old-fashioned, more tightly regulated banking were probably not around in the days of Bretton Woods or Glass Steagall. Because if they were, they would remember a time when less than 50% of the adult population in the developed world had a bank account, when credit was strictly rationed, when a mortgage cartel controlled home loans and when, with credit supply directed by governments, industry complained constantly of being starved of funds.

Regulation is a substitute neither for sound judgement nor for a sense of personal and corporate responsibility. The primary obligation lies with bank boards. We must keep our sights at all times on what our customers expect of us (helping them achieve their financial goals and helping them take appropriate risk); and on what our owners expect of us (that we will use well the resources generated by running a profitable business). Those two things, for me, are the essence of responsible banking.

Translated into an operational agenda, a bank which is behaving responsibly and a bank which is playing its role in society should invest for the future. It should support appropriate risk taking by its customers. It should run capital ratios that create confidence. It should employ talented staff. It should manage its business in a way that enables it to pay dividends to its shareholders (mostly pension funds on which retired citizens rely). And it should pay due tax to its revenue authorities.

Success in banking

Success in the banking sector creates good things for society – the facilitation of wealth creation by customers; the generation of direct and indirect employment; payment of dividends and tax; economic stabilisation and growth. But success creates responsibilities, and we must understand the obligations that go with being a successful bank. We have to make certain that we use our profits well – in particular, that our contribution to society recognises society's contribution to our success.

The strands of responsible banking and successful competition are intertwined. We are, I believe, at our most productive (in an economic and social sense) if we compete successfully. The capacity of British banks like Barclays to support the UK economy in the way that I have been describing depends on the banking playing field being kept level as the authorities here and around the world make their decisions. Safeguarding existing jobs and creating new ones and lending supportively to British householders and businesses (thereby helping create jobs beyond those which exist directly in the banking industry, itself one of the biggest employers in this country). Ultimately these things depend on our being allowed to compete on equal terms with the best banks in the world.

Note

This article by John Varley was first published in *The Sunday Telegraph* on

15th November 2009.

Sustainability

Responsible banking

Despite the difficult economic conditions in 2009, we have continued to maintain our commitment to corporate and social responsibility as it is an integral part of how we do business. We report progress on integrating sustainability through five themes.

Barclays is making progress on embedding sustainability into our business. We are ranked in the top quartile of global banks in the Dow Jones Sustainability Index. However, we realise we have a long way to go and will continue to build our programme in the year ahead. We have remained open for business throughout the downturn, and at the same time have reinforced our commitment to be a responsible lender, providing access to credit and support while maintaining prudent lending standards. We are focused on offering a strong, safe and responsible service that contributes to the economic progress of society as a whole.

As well as supporting our customers and clients, and the communities in which we operate, we have:

developed our role as an equal opportunities employer;

taken action on climate issues; and

aimed to operate as a responsible global citizen.

The Group Executive Committee is responsible for our overall sustainability strategy, and works to support the Chief Executive in its implementation. This Committee, along with the Board, reviews progress against sustainability objectives twice a year, using a robust reporting framework that includes over

100 performance indicators. We integrate sustainability into our operations in five areas.

Customers and clients

In 2009, we continued to help customers make the most of their money with advice, innovative new products and services, and tailor-made help for those in financial difficulty.

Whilst remaining conservative in our approach to risk, we have remained competitive in the mortgage market and increased our lending by 7% to a mortgage balance of £87.9bn at the end of 2009. At the same time Barclaycard provided a package of support, including a price freeze for many of our UK customers.

Our strategic sustainability themes

Customers and clients	Financial inclusion	Environment	Diversity and our people	Citizenship
Ensuring our products and services meet the needs of customers and clients by developing innovative solutions to enhance performance, relationships and satisfaction.	Extending the reach of banking services in developing markets and reducing financial exclusion in developed markets.	Minimising direct environmental impacts by mitigating Barclays energy, water and carbon footprints and managing the risks and opportunities associated with climate change.	Attracting employees from the widest possible talent pools and developing and retaining colleagues on the basis of performance and ability.	Managing Barclays indirect economic, ethical, social and environmental impacts, encouraging our supply chain to be more sustainable, and investing in local communities where we do business.
Progress in 2009 £35^{bn} gross new lending to UK households and businesses	Progress in 2009 3.2^m entry-level bank accounts opened across our global operations to date	Progress in 2009 3.5^{bn} tonnes of carbon has been traded to date with a notional value of £45bn	Progress in 2009 24[%] of Barclays senior managers are female	Progress in 2009 £55^m invested in communities globally
£87.9^{bn} total UK mortgage lending at the end of 2009	£500,000 new funding package to support credit unions and community finance organisations in the UK	79[%] of surveyed employees believe Barclays is an environmentally responsible bank	58,000+ employees received direct support for fundraising, volunteering and giving	157 suppliers completed our sustainability screening questionnaire during 2009

Key points

£35bn gross new lending to UK households and businesses

More than 58,000 employees received direct support for fundraising and volunteering

In April 2009, we committed to make an additional £11bn of credit available to the UK economy over the year. Our gross new lending in 2009 was £35bn, about half to households and half to businesses.

Financial inclusion

In the UK our Cash Card Account is an entry-level bank account with almost 844,000 customers, many living in deprived areas, while Money Skills is a new programme designed to help disadvantaged people make informed, responsible financial decisions.

Across Africa, we offer dedicated accounts for people on low incomes, and are one of the only global banks to work with indigenous financial systems as a way of providing wider access to financial services.

Environment

As part of our commitment to minimising our environmental footprint, we successfully made our global banking operations carbon neutral in 2009.

Barclays Climate Action Programme continues to focus on greater energy efficiency, as well as working with suppliers to reduce their CO₂ emissions and developing products and services that will help our customers to do the same.

Diversity and our people

Our diversity and inclusion strategy is focused on increasing the number of senior women across our business. To read more, refer to page 24.

Citizenship

With more than 48 million customers in over 50 countries, we must act as a responsible global citizen. This means ensuring that we do business in a socially and ethically responsible way, while working with our supply chain partners to ensure they adopt a similar set of principles.

Barclays believes that banks have a crucial role to play within the communities they serve – even more so during these challenging economic times.

In 2009, as well as committing over £55m to community initiatives around the world, we also invested our skills and resources. 58,000 employees gave their time to support a wide range of projects, from helping those affected by HIV/AIDS in Africa, to providing free financial advice for elderly people in the UK.

Barclays operates in accordance with the Universal Declaration of Human Rights, and Barclays Statement on Human Rights further integrates these issues through our employment policies and practices, our supply chain and the responsible use of our products and services.

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Partnerships are also a crucial part of the programme, such as our work with the World Wildlife Fund in eastern Africa to pioneer a new era of conservation in the region where communities are supported to utilise their resources more sustainably.

In 2009, working with the United Nations Environment Programme Finance Initiative, we developed a human rights toolkit, which provides a framework for lending managers and which we have embedded into our own employee guidance tools on environmental risk.

Many of our major environmental and social impacts are indirect and arise through business relationships with suppliers and clients. Our Environmental and Social Impact Assessment policy focuses on any lending we carry out in sensitive sectors and is also the mechanism by which we apply the Equator Principles to our projects. The Equator Principles are based on the International Finance Corporation's Performance standards, which form the financial services industry standard to manage environmental and social risks in project finance deals above US\$10m.

As well as managing our own direct social, ethical and environmental impacts, by working closely with our suppliers we can help them to share our commitment to sustainability.

Our Environmental Risk Management team operates across the Group, and in 2009 it assessed more than 290 project and non-project finance transactions.

This was underlined in 2009 with the launch of a new statement on Supply Chain Sustainability, outlining how we work with suppliers and what we expect from them in return.

Banking on Change partnership

Developed partnership with CARE International and Plan International to improve access to basic financial services in Africa, Asia and South America

Three-year initiative intends to reach 500,000 people and is a £10m commitment by Barclays

In 2008, Barclays committed to a global three-year partnership with non-governmental organisations (NGOs) CARE International and Plan International in order to extend innovation and accelerate sustainable access to basic financial services. The three-year initiative aims to reach more than 500,000 people across Africa, Asia and South America and represents a £10m commitment by Barclays.

The partnership perfectly combines the experience and delivery structures of the two NGOs with the financial expertise of Barclays. Together this will enable us to promote and train community groups on savings-led community finance and create bespoke financial channels, products and services.

The initiative gives individuals the opportunity to save regularly and provides communities with a way to manage their money, increasing their ability to deal with life emergencies, and invest in their own and their children's future.

Our people

Global minimum standards

To maintain the right balance between overall control and effective local decision making we have established global governance frameworks and minimum standards to regulate how we manage and treat our employees around the world. The key areas covered by the minimum standards are summarised below.

Performance management and compensation

The performance and development process provides employees with the opportunity to have regular discussions with their line managers about their performance and to receive coaching for their personal development. The performance of employees is typically assessed twice a year and a performance rating is agreed with the line manager.

We are committed to the principle of pay for performance. Compensation is based on the performance of individuals and their businesses. Our compensation philosophy is to drive a high performance culture within the appropriate risk and governance frameworks.

Employee relations

Barclays recognises and works constructively with 30 employee representative organisations throughout the world.

Diversity and inclusion

Barclays operates across the globe and engages with employees across a wealth of diverse and rich cultures. Our mission is to create confidence and trust to do the right thing for both our customers and employees through creating a truly inclusive environment. We will achieve this through ensuring that everything we do treats people fairly through valuing diversity. An example of the progress made in this area is that currently three of our major businesses have female Chief Executive Officers who lead more than half of our employees globally.

Health and safety

Our commitment is to ensure the health, safety and welfare of our employees and to provide and maintain safe working conditions. Effective management of health and safety will have a positive effect on the services we provide. Good working climates will help our employees to perform better in serving our customers which in turn will create value for all our stakeholders customers, employees, shareholders and the communities that we serve.

Training

Developing both existing and new employees is key to our future prosperity. We undertake this through formal classroom-based training and informal on-the-job training, education and coaching. Minimum mandatory training is provided to all employees to ensure that our employees understand Barclays policies and procedures and their role in meeting our regulatory responsibilities.

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Regular employee opinion surveys are used to assess employee engagement. The findings are benchmarked against other global financial services organisations and high-performing organisations.

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Total shareholder return (TSR) is defined as the value created for shareholders through share price appreciation, plus reinvested dividend payments. We compare Barclays performance with a group of international peers and aim for top quartile performance. Return on average shareholders equity is calculated as profit after tax divided by the average shareholders equity during the year, which is made up of share capital, retained earnings and other reserves.

with the interests of shareholders.

Peer group: Banco Santander, BBVA, BNP Paribas, Citigroup, Deutsche Bank, HSBC, JP Morgan Chase, Lloyds Banking Group, Royal Bank of Scotland, Unicredit and UBS.