

“  
Our record income performance  
produced a sharp increase in  
underlying profitability in 2009”

**John Varley**  
Group Chief Executive



Go online

The Annual Review and Summary Financial Statement is only a summary of the Barclays PLC Annual Report 2009. Find out more at [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

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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.

### Priorities

- Staying close to our customers and clients
- Managing our risks
- Maintaining strategic momentum

### Strategic framework

- Continue to act as responsible corporate citizens
- Maintain a sound financial and organisational footing
- Pursue a progressive dividend policy
- Allocate capital on an economic and strategic basis
- Deliver another year of significant profitability

### Goal

- Produce top quartile Total Shareholder Returns (TSR) over time



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Further information on our strategy  
and goals for 2009 is available at  
[www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

## Our performance in brief

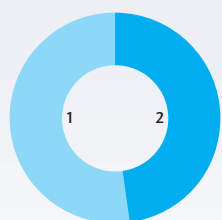
- Group profit before tax was £11,642m, 92% up on 2008, including the £6,331m gain on sale from the disposal of Barclays Global Investors (BGI)
- Global Retail and Commercial Banking generated good income growth of £1,004m (7%) to £16,097m
- Investment Banking and Investment Management recorded very 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	–
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 income

£m



1. Global Retail and Commercial Banking  
£16bn (52%)

2. Investment Banking and  
Investment Management  
£15bn (48%)

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

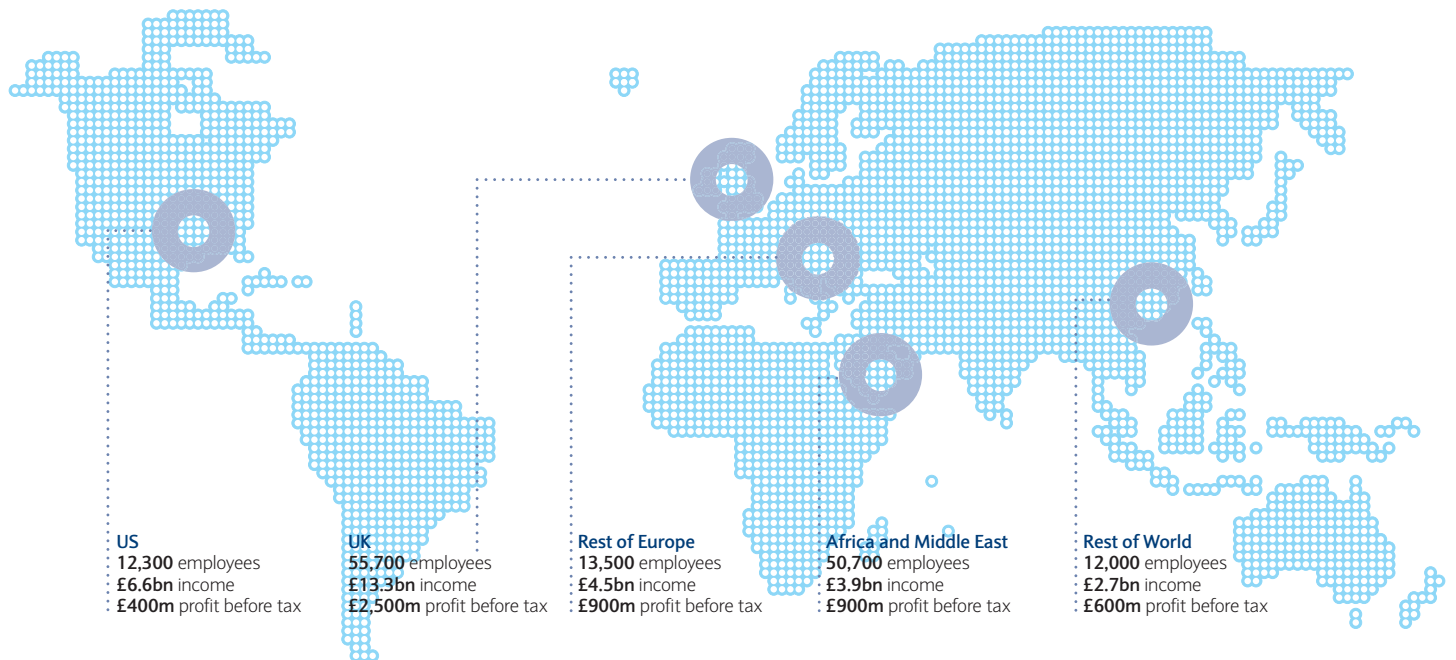
Barclays operates a universal banking business model helping the Group to stay strong, profitable and independent throughout the crisis.

In November 2009, Barclays restructured the Group so the businesses could better support customers and clients. This Annual Review reflects the Group 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.
£4.0 <sup>bn</sup> total income	£2.8 <sup>bn</sup> total income	£4.0 <sup>bn</sup> total income	£1.7 <sup>bn</sup> total income	£1.0 <sup>bn</sup> total income
14.9 <sup>m</sup> customers	113,500 customers	21.2 <sup>m</sup> customers	2.8 <sup>m</sup> customers	3.7 <sup>m</sup> customers
13.2 <sup>m</sup> savings accounts	Best customer relationship initiative B2B Marketing Awards 2009	145,000 corporate customers	1,500 ATMs	£8.5 <sup>bn</sup> customer deposits
1,700 branches	925 relationship managers and regional directors	87,000 retailer relationships	1,100 branches	500 branches

Diversified operations



Data excludes gain on sale of BGI

Investment Banking and Investment Management

GRCB – Absa	Barclays Capital	Barclays Global Investors	Barclays Wealth
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 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.	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 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.
£2.5bn total income	£11.6bn total income	£1.9bn total income	£1.3bn total income
11.4m retail customers	232 clients generating more than £10m income	£6.3bn profit on disposal before tax	£151.3bn client assets
100,000 corporate customers	No.1 Bond House of the Year IFR Awards 2009	1 <sup>st</sup> Dec successful completion of BGI transaction	25 country locations
8,500 ATMs	£515,000 average total income generated per member of staff	19.9% economic interest in BlackRock following BGI disposal	No.1 UK wealth manager for 4th year running Private Asset Managers report

## 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.”

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. Confidence declined to dangerously low levels in early 2009 and, while conditions improved as the year progressed, a great deal remains to be done to rehabilitate the reputations of banks and bankers. Good progress has been made within the G20 forum as to the nature 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. However, it is imperative that we do not seek to regulate too hastily and go too far in terms of the reform agenda, thereby damaging economic recovery.

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

We have:

- significantly strengthened our capital and liquidity positions;
- 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.

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














- support appropriate risk-taking by customers;
- treat our customers fairly;
- invest for the future;
- act as a responsible global citizen;
- pay responsibly;
- manage our affairs prudently;
- produce good returns for our shareholders; and
- pay our fair share of taxes.

These have been and will be our guiding lights as we seek to regain the trust and confidence of stakeholders.

**Marcus Agius**  
Group Chairman

# Leadership and governance

## Board of Directors

<p><b>Marcus Agius</b> Group Chairman</p> 	<p><b>John Varley</b> Group Chief Executive</p> 	<p><b>Robert E Diamond Jr</b> President of Barclays PLC and CEO of Corporate and Investment Banking, and Wealth Management</p> 
<p><b>Chris Lucas</b> Group Finance Director</p> 	<p><b>Sir Richard Broadbent</b> Deputy Chairman and Senior Independent Director</p> 	<p><b>David Booth</b> Non-executive Director</p> 
<p><b>Leigh Clifford</b> Non-executive Director</p> 	<p><b>Fulvio Conti</b> Non-executive Director</p> 	<p><b>Simon Fraser</b> Non-executive Director</p> 
<p><b>Reuben Jeffery III</b> Non-executive Director</p> 	<p><b>Sir Andrew Likierman</b> Non-executive Director</p> 	<p><b>Sir Michael Rake</b> Non-executive Director</p> 
<p><b>Sir John Sunderland</b> Non-executive Director</p> 		

## Key responsibilities

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 judgment 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.

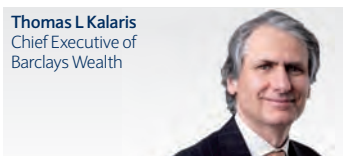
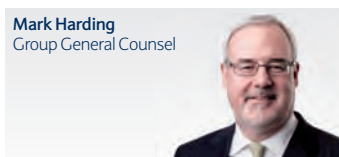


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Further information on the responsibilities of the Board of Directors is available at [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

# Leadership and governance

continued

## Executive Committee



### Key responsibilities

The Board delegates the responsibility for the day-to-day management of Barclays PLC (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 Operating Committee, the Group Risk Oversight Committee and the Group Brand and Reputation Committee.



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Further information on the  
responsibilities of the Executive  
Committee is available at  
[www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)



## 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.”

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. 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.

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

## Addressing the issues of today



### Go online

Talk to us and have your questions answered by posting your questions in the 'your view' section of our online report. [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

Our industry has faced a number of significant challenges over the past twelve months. These issues are of importance to our stakeholders and in this extract from *The Sunday Telegraph*, John Varley provides a summary of how we have responded.

### The role of banks and banking in society

**The severity of the current financial crisis and magnitude of public support channelled into the financial sector have prompted a heated debate about the role of banks. That is understandable. But the discourse is often unhelpfully clouded by hyperbole and misrepresentations. We must move past that.**

The causes behind the financial crisis are complex. What is clear is that, without decisive and significant action by authorities around the world, the banking system would have collapsed. Even banks that did not take capital from governments benefited from these actions.

Governments, regulators and banks must now learn the lessons of the last two years and ensure that nothing like this happens again. Considerable change has already occurred, but there will be more.

That change must not lose sight of the five core activities through which banks contribute to society: 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 discussion on the latter has been particularly troubling; it is worth dwelling on it for a moment.

#### The core activities of an investment bank

Investment banks undertake three activities – advice, execution and funding. Providing advice means working with clients to design solutions for their needs. Execution means helping clients put in place whatever solution has been designed, irrespective of who designed it. Banks take risks here to help their clients absorb and manage their own risk. Funding means maintaining the efficiency of

markets for new issuance by ensuring secondary markets are efficient and effective. Secondary market activity (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 the individual markets required.

All three are critical to real economy health, because they help clients generate investment, trade, wealth generation, and employment – all real economy outputs. If you switch off investment banking, you switch off a fundamental supply of credit to companies and governments; of savings and investment products to support the privatisation of welfare provision; of financing resource in the areas of health provision and infrastructure; and of trading skills in the area of the management of carbon emissions. Investment banks are vital intermediaries in the economic system – connecting sources of funds with investment opportunities.

#### Regulation in banking

Going forward, banks will need to hold more capital and more liquidity. 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. Bad performance should not. This is something we have always believed.

At Barclays, we have worked on reforming our remuneration practices through 2009. We aim to field the best people we can across all of our businesses. We compete in global markets, and labour is highly

mobile. Our objective is to pay the minimum compensation consistent with competitiveness and performance.

Regulation is not a substitute for sound judgment or a sense of personal and corporate responsibility. The primary obligation to ensure these are in place lies with bank boards. Executive management must focus on what our customers expect of us (helping them achieve their financial goals and 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 are the essence of responsible banking. They require investment in the future.

#### Success in banking

A successful 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 we understand that success creates responsibilities.

The strands of responsible banking and successful competition are intertwined. We are at our most productive if we compete successfully. The capacity of banks to support economies depends on the international rules being kept level. Our ability to safeguard existing jobs and create new ones, and to lend supportively to householders and businesses (thereby helping create jobs beyond those which exist directly in the banking industry), ultimately depend on our being allowed to compete on equal terms with the best banks in the world.

The full article by John Varley was published in *The Sunday Telegraph* on 15th November 2009.

## Group performance

### Finance Director's review



“We understand how important it is to our shareholders that we maintain Core Tier 1 ratio well in excess of regulatory minima.”

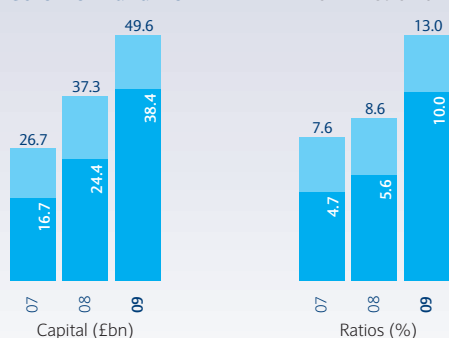
#### Capital Management

##### Managing our risk

Core Tier 1 ratio is a measure of financial strength from the Financial Services Authority's (FSA) point of view. The Core Tier 1 capital ratio expresses Core Tier 1 capital as a percentage of risk weighted assets.

At 31st December 2009, our Core Tier 1 ratio was 10.0% (31st December 2008: 5.6%) and our Tier 1 ratio, a broader FSA measure of financial strength than the Core Tier 1 ratio, was 13.0% (31st December 2008: 8.6%). Key drivers included a reduction in the overall size of the balance sheet and foreign exchange movements.

Core Tier 1 and Tier 1



Barclays delivered profit before tax of £11,642m in 2009, an increase of 92% on 2008. Excluding a gain of £6,331m realised on the sale of Barclays Global Investors, profit before tax was £5,311m. This was achieved after absorbing: £6,086m in writedowns on credit market exposures (including impairment of £1,669m), other Group impairment of £6,402m and a charge of £1,820m relating to the tightening of own credit spreads. Profit included £1,249m of gains on debt buy-backs and extinguishment.

Income grew 34% to £30,986m, with particularly strong growth in Barclays Capital. Within Global Retail and Commercial Banking (GRCB), Barclaycard and GRCB – Western Europe also reported good income growth. The aggregate revenue performance of GRCB businesses was, however, affected by the impact of margin compression on deposit income as a result of the very low absolute levels of interest rates. Barclays Capital's income was up 1.22% compared to 2008. Top-line income rose by £8,004m reflecting the successful integration of the acquired Lehman Brothers North American businesses, buoyant market conditions observed across most financial markets in the first half of 2009 and a good relative performance in the second half of 2009 despite weaker markets. Income in Barclays Capital was impacted by writedowns of £4,417m (2008: £6,290m) relating to credit market exposures held in its trading books and by a charge of £1,820m (2008: gain of £1,663m) relating to own credit.

Impairment charges against loans and advances, available-for-sale assets and reverse repurchase agreements increased 49% to £8,071m, reflecting deteriorating economic conditions, portfolio maturation and currency movements. The impairment charge against credit market exposures included within this total reduced 5% to £1,669m. Impairment charges as a percentage of Group loans and advances as at 31st December 2009 increased to 156bps from 95bps, or 135bps on constant 2008 year end balance sheet amounts and average foreign exchange rates.

Operating expenses increased 24% to £17,852m, but by 10% less than the rate of increase in Group total income. Underlying expenses in GRCB were well controlled, with the cost:income ratio improving from 53% to 52%. Operating expenses in Barclays Capital increased by £2,818m to £6,592m reflecting the significant increase in the size of the business and an uplift in volumes. The cost:income ratio improved from 72% to 57%. At Barclays Capital the compensation:income ratio improved from 44% to 38%.

##### Outlook

We had a good start to 2010 with Group profit before tax well ahead of first half and full year 2009 run rates.

Overall impairment levels in the second half of 2009 were 23% lower than in the first half. Whilst we expect 2010 impairment levels to rise in certain books of business, particularly in our commercial lending portfolios, our planning assumption is for a moderate decline in impairment.

The evolution of our balance sheet and in particular risk weighted assets, capital ratios and liquidity reserves, will depend upon the outcome of multiple regulatory reviews underway. It is our intention to remain conservatively positioned in anticipation of developments in the overall regulatory framework.

**Chris Lucas**  
Group Finance Director

## Global Retail Banking Business review



Barclays ambition is to build the best retail bank in the world.”

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,  
Global Retail Banking

## Regrouping of activities

In November 2009, Barclays restructured the Group so the businesses could better support clusters and clients.

### Global Retail Banking (GRB)

Comprising UK Retail Banking, Barclaycard, and the parts of the former GRCB – Western Europe and Emerging Markets businesses.

### Corporate and Investment Banking and Wealth Management

Comprising Barclays Capital, parts of the former Barclays Commercial Bank (now Barclays Corporate) and Wealth Management businesses.

Absa, previously GRCB – Absa business.

Staying close to our customers and clients

## Branch network investment and transformation programme



28 new flagship branches opened

Entire UK network to be refurbished with over 450 completed

Barclays UK Retail Banking's branch network investment and transformation continues with 28 new flagship branches opened throughout the UK, whilst a further 457 of the 1,700 network have been refurbished in the new style. The design of these branches has been developed at an in-house facility in Northampton and has involved extensive staff and customer consultation. Features include full self-service zones, open counters without glass partitions, new technology to minimise queuing and, at selected branches, longer opening hours including Saturday and Sunday opening.

The flagship Piccadilly Circus branch in London has won the international 2009 FX Interior Design

Award for Best Retail Space at the global FX Awards – the first time a bank has been considered in this category.

The three-storey building, covering more than 10,000 square feet adjacent to the world famous Piccadilly lights, containing the latest designs and technologies, opened at the beginning of 2009.

Branches are important to us and to the millions of our customers who use them each week. For that reason we are investing to make them more accessible and comfortable and, crucially, making it simpler for customers to do their banking with us in a way that suits them.

For more information on Barclays branch network go to [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

Staying close to our customers and clients

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



Barclays continues to support all 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.

We announced a further £88m in early 2010 to lend through the EFG, to help more businesses obtain finance. 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 £150 million 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](http://www.barclays.com/annualreport09)

## Corporate and Investment Banking and Wealth Management Business review



“We have a unique opportunity to serve our clients more comprehensively than ever before.”

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

## Regrouping of activities

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Absa, previously GRCB – Absa business.



### 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.

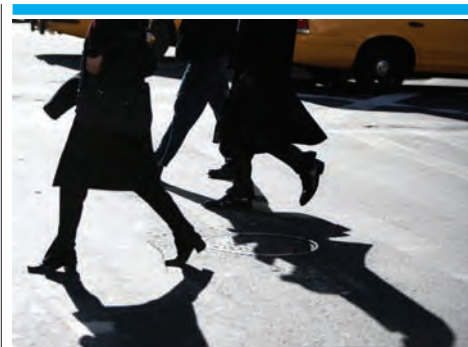
Our clients continue to come to us with their

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's 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 [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)



### Maintaining strategic momentum

## Delivering in the largest wealth market



Serving a unique blend of private and institutional wealth

During 2009 Barclays Wealth focused on building out the US business. As the largest wealth market in the world, a leading presence in the US is vital to our strategy of becoming the premier global wealth manager.

Our US private clients have a unique blend of private and institutional wealth. A significant number own or manage businesses. Many operate as part of a family, endowment or have links to other larger entities. Serving this dynamic, entrepreneurial market requires the full deployment of our offering.

At Barclays Wealth we have an unparalleled platform to meet these client needs. We are able to leverage the global capabilities of a universal financial institution, the intellectual capital of a leading investment bank and a close partnership with BlackRock, the world's largest asset manager.

Our close coordination with Barclays Capital has particular resonance in the US market. The combination of their leading institutional research capability with Barclays Wealth's unique investment philosophy and platform creates a powerful offering that helps us meet the needs of these multi-faceted clients.

Further information on Barclays Wealth can be found at [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

## Absa Business review



### Regrouping of activities

In November 2009, Barclays restructured the Group so the businesses could better support clusters and clients.

#### Global Retail Banking (GRB)

Comprising UK Retail Banking, Barclaycard, and the parts of the former GRCB – Western Europe and Emerging Markets businesses.

#### Corporate and Investment Banking and Wealth Management

Comprising Barclays Capital, parts of the former Barclays Commercial Bank (now Barclays Corporate) and Wealth Management businesses.

**Absa, previously GRCB – Absa business.**



## Absa is well positioned for future growth”

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

### Staying close to our customers and clients

## ‘CashSend’ – The new card-less ATM Service



‘Most innovative use of IT’  
– Banking Technology Awards  
Send or receive money without  
a bank account

CashSend was voted ‘Most Innovative Use of IT’ at the internationally recognised Banking Technology Awards in London on 5th November 2009. CashSend also received the Financial Innovation Awards 2009’s category prize as Most Promising New Product. It was also awarded the grand prize – the IFS Award for Outstanding Innovation.

The Absa CashSend offering was the first of its kind to be launched in Africa. This unique innovation allows Absa clients to send money to anyone in South Africa, banked or not, provided they have a South African issued cellphone number.

CashSend is an excellent example of how the innovative use of technology is assisting us in achieving our aim of broadening access to financial products and services, and at the same time addressing a major national need.

The service has proven to be remarkably popular among Absa’s clients. It is simple to send and receive money. Our clients can use Internet or Cellphone Banking, or an Absa ATM, to send unique PIN codes to the recipient’s cellphone. The recipient then simply enters these into any Absa ATM to instantly receive the cash that has been transferred.



## Sustainability Responsible banking

Despite the difficult economic conditions in 2009, we have continued to maintain our commitment to sustainability 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 supports 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.

In 2009, we continued to help our **customers and clients** meet their financial goals. Despite the difficult economic conditions, we committed to make an additional £1.1bn 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. We also invested in advice and support for those facing financial problems.

We championed **financial inclusion**, and more than half a million people in sub-Saharan Africa now benefit from accounts designed for low-income customers, while our new Money Skills programme is helping thousands more disadvantaged people to make more informed financial decisions.

Barclays Climate Action Programme is our direct response to issues concerning the **environment** and climate change, and features partnerships such as our work with Solar Aid on domestic solar power in East Africa.

In terms of **diversity and our people**, gender remains our key focus, and our strategy is designed to increase the representation of women at senior levels across the Group.

Our role as a responsible **citizen** remains a key priority. In 2009 we committed over £55m to a range of community initiatives around the world, and were proud that over 58,000 colleagues, across 31 countries, volunteered their spare time or took part in fundraising projects.

Further information on our sustainability approach can be found in our Sustainability Review 2009 online at [www.barclays.com/sustainability](http://www.barclays.com/sustainability)



### Go online

Talk to us and have your questions answered by posting your questions in the 'your view' section of our online report. [www.barclays.com/sustainability](http://www.barclays.com/sustainability)

## Our strategic sustainability themes

### Customers and clients

Ensuring our products and services meet the needs of customers and clients by developing innovative solutions to enhance performance, relationships and satisfaction.

**£35bn** gross new lending to UK households and businesses

### Financial inclusion

Extending the reach of banking services in developing markets and reducing financial exclusion in developed markets.

**3.2m** we have opened 3.2 million entry level bank accounts to date

### Environment

Minimising direct environmental impacts by mitigating Barclays energy, water and carbon footprints and managing the risks and opportunities associated with climate change.

**3.5bn** tonnes of carbon traded to date with a notional value of £45bn

### Diversity and our people

Attracting employees from the widest possible talent pools and developing and retaining colleagues on the basis of performance and ability.

**24%** of Barclays senior managers are women

### Citizenship

Managing our indirect economic, ethical, social and environmental impacts, encouraging our supply chain partners to be more sustainable, and investing in local communities where we do business.

**£55m** invested in communities in 2009

# Summary financial statement

## Summary consolidated income statement

For the year ended 31st December	2009 £m	2008 £m
<b>Continuing Operations</b>		
Net interest income	11,918	11,469
Net fee and commission income	8,418	6,491
Other income	9,618	3,476
Total income	29,954	21,436
Net claims and benefits incurred on insurance contracts	(831)	(237)
Total income net of insurance claims	29,123	21,199
Impairment charges and other credit provisions	(8,071)	(5,419)
Net income	21,052	15,780
Operating expenses	(16,715)	(13,391)
Share of post-tax results of associates and joint ventures	34	14
Profit on disposal of subsidiaries, associates and joint ventures	188	327
Gains on acquisitions	26	2,406
Profit before tax from continuing operations	4,585	5,136
Tax on continuing operations	(1,074)	(453)
Profit after tax from continuing operations	3,511	4,683
Profit after tax from discontinued operations	6,777	604
Net profit for the period	10,288	5,287
Profit attributable to equity holders of the parent	9,393	4,382
Profit attributable to non-controlling interests	895	905
	10,288	5,287
<b>Dividends</b>		
Interim dividend paid 1.0p (2008: 11.5p)	£113m	£906m
Final dividend 1.5p (2008: 0.0p)	£176m	–
<b>Earnings per Share</b>		
Basic earnings per share	86.2p	59.3p
Diluted earnings per share	81.6p	57.5p

### Note

The income statement is shown here on a continuing basis with profit after tax from discontinued operations shown as a single line under profit after tax from continuing operations, in accordance with IFRS.

## Independent auditors' statement to the members of Barclays PLC

We have examined the Summary financial statement, which comprises the Summary consolidated income statement, Summary consolidated balance sheet and the Summary remuneration report set out on pages 18,19 and 23.

### Respective responsibilities of Directors and auditors

The Directors are responsible for preparing the Annual Review in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion

on the consistency of the Summary financial statement within the Annual Review with the full annual financial statements and the Remuneration Report, and its compliance with the relevant requirements of section 428 of the Companies Act 2006 and the regulations made thereunder.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary financial statement.

This statement, including the opinion, has been prepared for and only for the Company's members as

# Summary financial statement

## Summary consolidated balance sheet

The Summary consolidated income statement and the Summary consolidated balance sheet were approved by the Board of Directors on 9th March 2010 and signed on its behalf by the Group Chairman.

For the year ended 31st December	2009 £m	2008 £m
<b>Assets</b>		
Cash and balances at central banks	81,483	30,019
Items in the course of collection from other banks	1,593	1,695
Trading portfolio assets	151,344	185,637
Financial assets designated at fair value:		
– held on own account	41,311	54,542
– held in respect of linked liabilities to customers under investment contracts	1,257	66,657
Derivative financial instruments	416,815	984,802
Loans and advances to banks	41,135	47,707
Loans and advances to customers	420,224	461,815
Available for sale financial investments	56,483	64,976
Reverse repurchase agreements and cash collateral on securities borrowed	143,431	130,354
Goodwill and intangibles	8,795	10,402
Property, plant and equipment	5,626	4,674
Deferred tax assets	2,303	2,668
Other assets	7,129	7,032
<b>Total assets</b>	<b>1,378,929</b>	<b>2,052,980</b>
<b>Liabilities</b>		
Deposits from banks	76,446	114,910
Items in the course of collection due to other banks	1,466	1,635
Customer accounts	322,429	335,505
Trading portfolio liabilities	51,252	59,474
Financial liabilities designated at fair value	86,202	76,892
Liabilities to customers under investment contracts	1,679	69,183
Derivative financial instruments	403,416	968,072
Debt securities in issue	135,902	149,567
Repurchase agreements and cash collateral on securities lent	198,781	182,285
Subordinated liabilities	25,816	29,842
Deferred tax liabilities	470	304
Other liabilities	16,592	17,900
<b>Total liabilities</b>	<b>1,320,451</b>	<b>2,005,569</b>
<b>Shareholders' Equity</b>		
Shareholders' equity excluding non-controlling interests	47,277	36,618
Non-controlling interests	11,201	10,793
<b>Total shareholders' equity</b>	<b>58,478</b>	<b>47,411</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,378,929</b>	<b>2,052,980</b>

a body in accordance with section 428 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the Company's full annual financial statements describes the basis of our audit opinion on those financial statements and the Remuneration Report.

### Opinion

In our opinion the Summary financial statement is consistent with the full annual financial statements and the Directors' Remuneration Report of Barclays PLC for the year ended 31st December 2009 and complies with the applicable requirements of section 428 of the Companies Act 2006, and the regulations made thereunder.

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Statutory Auditors  
London, United Kingdom  
9th March 2010

### Notes

- a** The maintenance and integrity of the Barclays website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the full annual financial statements or the summary financial statement since they were initially presented on the website.
- b** Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

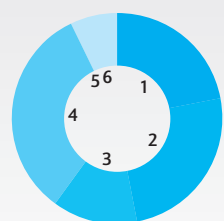
## Governance and accountability



Go online  
Further information on our Governance and Accountability framework is available at [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

Barclays performed strongly in 2009, despite it being another challenging year for the financial services industry. Barclays has emerged from the crisis in a relatively strong position compared to many of our peers. Whilst we have made changes to some of our Corporate Governance processes and practices, we believe that these were fundamentally sound.

Fig. 1: Board allocation of time



	2009 %	2008 %
1 Strategy Formulation and Implementation Monitoring	22	16
2 Finance (including capital and liquidity)	25	27
3 Governance and Risk (including regulatory issues)	13	6
4 Corporate Finance	33	13
5 Capital Management <sup>a</sup>	–	33
6 Other (including compensation)	7	5

### Note

<sup>a</sup> Capital management was reported separately for 2008. It is included within 'Finance (including capital and liquidity)' for 2009.

Once again, a number of difficult decisions had to be taken as the Board sought to act in the best interests of shareholders. The year started with confidence in the banking sector as a whole at an extremely low ebb. The market was unsure as to the strength of banks' balance sheets and the extent of further losses from both credit market exposures and the global economic downturn. In Barclays case, the share price was extremely weak during January and the Board took its first key decision in deciding to issue an open letter from the Group Chief Executive and myself on 26th January 2009 to address the principal causes for concern. We felt that it was important to make this announcement in what were exceptional circumstances to reassure our stakeholders that we were well funded and profitable.

In March 2009, we announced that the Board did not believe it was in the interests of investors, depositors or clients to participate in HM Treasury's Asset Protection Scheme. This decision was taken after careful consideration of the economics of participation and detailed stress testing of our capital position and resources, the results of which were confirmed by the FSA.

In March 2009, we explored the potential sale of our iShares business and, following a superior offer from BlackRock, Inc. for the sale of the whole of the Barclays Global Investors business (BGI), the Board concluded that it would be in the best interests of Barclays and for the benefit of shareholders to accept that offer.

During the second half of 2009, the Board took the decision to restructure the Group's credit market exposures and, while we did not pay a final dividend for 2008, we were able to resume dividend payments in the second half of 2009 and it is our intention to pay quarterly dividends going forward.

It was essential to keep the Board fully informed during the discussions on all these matters and the Directors were updated regularly at Board meetings and through ad hoc circulation of information. A significant number of additional Board and Committee meetings were held, often at short notice,

## Share capital and other information

The authorised share capital of the Company is £5,290m, US\$77.5m, €40m and ¥4,000m (31st December 2008: £3,540m, US\$77.5m, €40m and ¥4,000m) comprising 20,996 million (2008: 13,996 million) ordinary shares of 25p each, 0.4 million Sterling preference shares of £100 each, 0.4 million US Dollar preference shares of \$100 each, 150 million US Dollar preference shares of \$0.25 each, 0.4 million Euro preference shares of €100 each, 0.4 million Yen preference shares of ¥10,000 each and 1 million (2008: 1 million) staff shares of £1 each. As at 31st December 2009 the issued ordinary share capital totalled 11,411,577,230

shares which represented 100% of the total issued share capital.

Employee Benefit Trusts (EBTs) operate in connection with certain of the Group's Employee Share Plans (Plans). The Trustees of the EBTs may exercise all rights attached to the shares in accordance with their fiduciary duties other than as specifically restricted in the relevant Plan governing documents. The Trustees of the EBTs have informed the Company that their normal policy is to abstain from voting in respect of the Barclays shares held in trust. The Trustees of the Sharepurchase EBT may vote in respect of Barclays shares held in the Sharepurchase

to discuss and take those decisions - a total of 27 Board meetings were held during the year and each of our Board Committees held additional meetings. It was also important to keep our shareholders informed and, in addition to regulatory announcements, meetings were held with our institutional shareholders and other investor groups to discuss the financial crisis and how we have responded. Briefings on these meetings were reported to the Board to ensure that all Directors were aware of any concerns raised by our shareholders.

As Chairman, a key part of my role is to ensure that the composition of the Board is appropriate; that appropriate behaviours are demonstrated in the Boardroom and that there is an environment in which challenge is expected and achieved. In April we reviewed the lessons learnt from the financial crisis and considered any enhancements that could be made. Governance processes were reviewed and a number of changes were made. These included revisions to the Board Risk Committee Terms of Reference to make explicit its role in reviewing risks following the Group's entry into new businesses or geographies. The changes also set out the Committee's role in reviewing the specific risk adjustments to be applied to performance objectives. The frequency of risk, capital and liquidity reporting to the Board and Board Committees has been increased and additional time has been allocated to strategy discussions.

The review of Corporate Governance in the banking sector by Sir David Walker (the Walker Review), to which we contributed, made a number of recommendations for improvements in governance in the banking sector. Many of the practices put forward in the Walker Review recommendations are in line with practices we already have in place, but where we can enhance processes and practices, we are doing so. However, the real key to effective Corporate Governance is to ensure that behaviours around the Board table are appropriate. It is an essential part of my role to ensure that firstly, appropriate and timely information is available to the Board in a readily understandable format, and secondly, that there is an

environment in the Boardroom which promotes and supports constructive and effective challenge. This requires the right Board composition and I believe Barclays has been well-served by both its executive and non-executive Directors in this respect. Our Directors understand the importance of appropriate Board behaviour, which is set out in our 'Charter of Expectations'. The Charter of Expectations is given to all new Directors and reviewed on an annual basis to ensure it sets out the expectations of each Director in their role on the Board, including expected competencies, behaviours and time commitment.

During 2009, we made a conscious effort to reduce the size of the Board from its peak of 17 and, although this number will fluctuate as we seek to ensure the Board has the right level of skills and experience, we will aim to keep it between 12 to 15 Directors. Going forward, it is our intention to maintain a majority of independent non-executive Directors, with approximately 50% of those non-executive Directors, including the Group Chairman and the Chairmen of the principal Board Committees, having banking or financial experience. We do believe, however, that to be fully effective, the Board should have a balance of Directors with both banking or financial experience and broader commercial experience.

We have carefully considered, in light of both the Walker Review and the Review of the Combined Code, whether all Directors should stand for re-election each year. I do believe it is important that the Chairman should stand for re-election annually and, having discussed the issue, we decided that the Deputy Chairman and Committee Chairmen should also stand for annual re-election.



**Marcus Agius**  
Group Chairman  
9th March 2010

## Board effectiveness

In light of changes in Board composition and the significant events of 2009, we reviewed our Board evaluation process for 2009. This included considering whether or not to use an external facilitator. We interviewed a number of alternative external facilitators before deciding to use an external facilitator again in 2009. We felt that it was appropriate to conduct such an external review given the question-marks that have been raised over corporate governance in the sector and following publication of the Walker Review.

The 2009 evaluation was again independently facilitated by Egon Zehnder International. We felt that their proposal for a refreshed approach to evaluation, including an increased emphasis on Board relationships and a broader remit, with input being sought from key executives below Board level, was the most appropriate process.

The evaluation process is rigorous and took the form of questionnaires that were completed by each Director, who then had individual interviews with Egon Zehnder. The individual meetings focused on overall Board composition and size, including identifying any gaps in skills and experience around the Board table, a review of key decisions taken by the Board in terms of quality of information flows, the quality of debate, the effectiveness of the Board Committees and Board dynamics, particularly with a view to assessing whether the interaction of the Board creates a whole that is greater than the sum of its parts. The process underpinning key decisions taken by the Board during the year was also reviewed.

The results were presented to the Board in February 2010 and an action plan to address any issues identified will be implemented.

EBT, but only at the discretion of the participants.

On 27th November 2008, Barclays Bank PLC issued £4,050m of 9.75% Mandatorily Convertible Notes (MCNs). Those not converted at the holder's option mandatorily converted to ordinary shares of Barclays PLC on 30th June 2009. The conversion price was £1.53276 and resulted in the issue of 2,642 million new ordinary shares.

On 31st October 2008 Barclays PLC issued, in conjunction with a simultaneous issue of Reserve Capital Instruments issued by Barclays Bank PLC, warrants to subscribe for up to 1,516.9 million new ordinary shares at a price of £1.97775. These may be exercised at any

time up to close of business on 31st October 2013.

As at 5th March 2010, in accordance with the Disclosure and Transparency Rules, Barclays had been notified of the following holdings of voting rights in its issued share capital: BlackRock, Inc. 7.06%; Qatar Holding LLC 9.91%; Nexus Capital Investing Ltd. 6.64%; Legal & General Group PLC 4.01%; Appleby Trust (Jersey) Ltd. 3.10%.

The rights attaching to shares, including any restrictions on transfer, are set out in the Company's Articles of Association, which may only be amended by a Special Resolution at a general meeting. On a show of hands and on a poll at a general meeting, every holder

of ordinary shares present in person or by proxy and entitled to vote has one vote for every ordinary share held. Deadlines for voting are set out in the Company's Articles of Association. The Company's Articles of Association specify that Directors may be appointed by the existing Directors or by the shareholders in a general meeting. The Directors may, if authorised by the shareholders in a general meeting, allot Barclays shares and may buy back Barclays shares. As at 5th March 2010 (the latest practicable date for inclusion in this document), the Company had an unexpired authority to repurchase shares up to a maximum of 837,620,130 ordinary shares.

## Summary remuneration report



Remuneration outcomes seek to ensure an appropriate share of value between employees and shareholders.”

During 2009, we have been reviewing our remuneration practices to ensure that they remain appropriate and effective. The context was to ensure that the principle of pay for performance continues to be implemented in a way that is consistent with and supportive of appropriate management of risk, delivering returns to shareholders, strengthening the balance sheet and protecting the business franchise.

Our decisions on discretionary pay in 2009 properly reflect our performance. The increase in incentive compensation in the investment banking business was materially less than the increase in total income; and the cost to net income ratio was lower than in 2008. Remuneration outcomes seek to ensure an appropriate share of value between employees and shareholders, with full consideration also being given to the requirements of other stakeholders such as regulators and governments.

There was a significant increase in the use of deferral, equity and long-term awards, particularly to senior executives. All discretionary remuneration for members of the Group Executive Committee will be delivered over a three-year period and subject to clawback. The Chief Executive and President have chosen to waive their annual bonus for the second successive year.

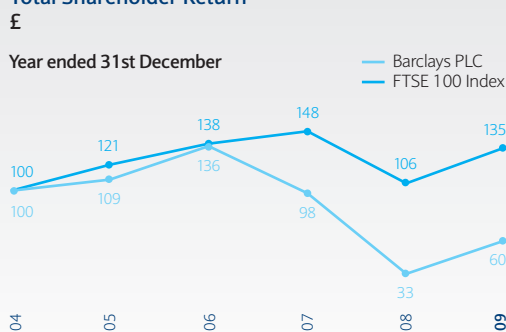
We are compliant with the FSA Remuneration Code and the Financial Stability Board Implementation Standards endorsed by the G20 and have applied these to the decisions of the 2009 pay review. The compensation pool has been managed in such a way that the UK Bank Payroll Tax cost broadly equates to a reduction in the size of the pool, with the reduction being borne by senior executives.

The Committee unanimously recommends that you vote at the 2010 AGM to approve the Remuneration Report as all Directors will be doing with their own Barclays shares.

On behalf of the Board

**Sir Richard Broadbent**  
Chairman, Board HR and  
Remuneration Committee

## Total Shareholder Return



The graph shows the value, at 31st December 2009, of £100 invested in Barclays on 31st December 2004 compared with the value of £100 invested in the FTSE 100 Index. The other points plotted are the values at intervening financial year ends. The FTSE 100 Index is a widely recognised performance comparison for large UK companies and this is why it has been chosen as a comparator to illustrate Barclays TSR. The graph shows that, at the end of 2009, a hypothetical £100 invested in Barclays on 31st December 2004 would have generated a total loss of £40 compared with a gain of £35 if invested in the FTSE 100 Index. The highest share price during the year was £3.84 and the lowest was £0.51. The share price at the year end was £2.76.

## 2009 annual remuneration

	Salary and fees £000	Annual cash bonus for 2009 £000	Total cash £000	Deferred share award (ESAS) for 2009 £000	Fair value long-term incentive award (PSP) for 2009 £000	Total direct remuneration £000	2009	2008	Other benefits 2009 £000
<b>Group Chairman</b>									
Marcus Agius	750	–	750	–	–	<b>750</b>	750		1
<b>Executive Directors</b>									
John Varley	1,100	0	1,100	0	0	<b>1,100</b>	1,075		23
Robert E Diamond Jr	250	0	250	0	6,000	<b>6,250</b>	250		134
Chris Lucas	650	0	650	1,500	1,000	<b>3,150</b>	1,438		182
<b>Non-executive Directors</b>									
David Booth	85	–	85	–	–	<b>85</b>	83		–
Sir Richard Broadbent	197	–	197	–	–	<b>197</b>	188		–
Leigh Clifford AO	123	–	123	–	–	<b>123</b>	115		–
Fulvio Conti	95	–	95	–	–	<b>95</b>	90		–
Simon Fraser	83	–	83	–	–	<b>83</b>	–		–
Reuben Jeffery III	32	–	32	–	–	<b>32</b>	–		–
Sir Andrew Likierman	110	–	110	–	–	<b>110</b>	105		–
Sir Michael Rake	141	–	141	–	–	<b>141</b>	90		–
Sir John Sunderland	108	–	108	–	–	<b>108</b>	98		–
<b>Former Directors</b>									
Frits Seegers	700	467	1,167	933	0	<b>2,100</b>	2,300		285
Professor Dame Sandra Dawson	30	–	30	–	–	<b>30</b>	90		–
Sir Nigel Rudd DL	63	–	63	–	–	<b>63</b>	200		–
Stephen Russell	113	–	113	–	–	<b>113</b>	153		–
Patience Wheatcroft	41	–	41	–	–	<b>41</b>	78		–

Annual cash bonuses for a year are normally paid in the following year. ESAS and PSP awards for a year are normally awarded in the following year.

The ESAS amounts shown above show the basic allocations, but do not include bonus shares. Including the maximum potential bonus shares, the ESAS award will have an initial value of £1,950,000 for Mr Lucas and £1,002,042 for Mr Seegers.

Leigh Clifford was also a member of the Asia Pacific Advisory Committee and received fees of US\$60,000 (2008: US\$60,000). These fees are included in those shown above.

As Deputy Chairman, Sir Richard Broadbent receives a fee of £200,000 per annum. From 16th July 2009, the date from which he was appointed as Deputy Chairman, Sir Richard Broadbent did not receive any additional fees for serving on Board Committees or as Senior Independent Director.

Sir John Sunderland was appointed as a member of the Group Brand and Reputation Committee (for which the full-year fee is £15,000) with effect from 1st July 2009 and received fees of £7,500. These fees are included in those shown above.

Sir Nigel Rudd was appointed as Chairman of the Advisory Committee – UK & Ireland Private Bank with effect from 1st December 2009. As Chairman of the Advisory Committee, Sir Nigel will receive a fee of £150,000 p.a. and in 2009 received £12,500. These fees are not included in those shown above.

Patience Wheatcroft was a member of the Group Brand and Reputation Committee (for which the full-year fee is £15,000) until her resignation as a non-executive Director with effect from 16th June 2009 and received fees of £6,917. These fees are included in those shown above.

## Directors' emoluments and statutory disclosures

	2009 £m	2008 £m
Aggregate emoluments	<b>8.8</b>	6.0
Gains made on the exercise of share options	<b>8.9</b>	–
Amounts paid under long-term incentive schemes	–	7.4

As part of the termination of EOP, Robert E Diamond Jr exercised his options over 100,000 BGI Holdings shares. He then sold his newly acquired BGI Holdings shares and existing 200,000 BGI Holdings shares to Barclays Bank PLC for a net consideration of £26.8m, after deducting aggregate option exercise costs of £6.0m.

Actual pension contributions of £18,786 were paid to money purchase schemes on behalf of one Director (2008: £11,745, one Director). Notional pension contributions to money purchase schemes were £nil (2008: £nil).

As at 31st December 2009, two Directors were accruing benefits under a defined benefits scheme (2008: two Directors).

# Summary remuneration report

continued

One of the core elements of Barclays approach is to deliver compensation that is affordable and appropriate in terms of value allocated to shareholders and employees, with full consideration also being given to other relevant stakeholders such as customers, regulators and government. When making compensation decisions Barclays balances the views of these stakeholders with the need to be able to attract, retain and incentivise talent in a competitive market. A particular focus during 2009 has been to ensure that our approach to discretionary pay awards for 2009 is compliant with both the Financial Services Authority Remuneration Code and the Financial Stability Board Implementation Standards, and that aggregate funding decisions balance a number of factors including the need to continue to strengthen capital ratios, to invest in the business, to recommence dividend payments and to protect the business franchise.

We are committed to the principle of pay for performance. A key element of ensuring the link between pay and performance on an individual basis is the robust performance assessment framework operated across the Group. Employee behaviours are considered in the context of the Guiding Principles which are incorporated into our Remuneration Policy. The resulting performance ratings have a direct impact on all individual compensation decisions.

At an aggregate level, in order to ensure that our remuneration policy maintains a link between pay and performance, incentive funding decisions are informed by a number of quantitative and qualitative

measures and are determined at the discretion of the Committee. During 2009, the role of Risk and other control functions in remuneration governance was enhanced and the process for setting the remuneration of control functions was formalised.

The exercise of informed discretion plays an important role in the assessment of performance in the context of all our remuneration decisions, rather than using a formulaic approach which could incentivise inappropriate behaviours.

## Remuneration Policy governance

To ensure appropriate operation of the Remuneration Policy, the Committee has established frameworks which set out key financial ratios achieved by Barclays and its competitors and have been used by the Committee to inform its decision-making process when approving aggregate remuneration spend. These frameworks were reviewed in 2009. The Committee approves the remuneration of any employee with annual total remuneration equal to or in excess of £750,000. Going forward, compensation of employees within the scope of the FSA Remuneration Code's particular remuneration structure requirements will also be individually approved by the Committee. The reporting of senior hires and leavers to the Committee has also been enhanced.

Given the materiality of Barclays pension arrangements, the Committee operates a specific framework for the management of pensions to ensure proper oversight.

## Remuneration Policy

The Barclays Remuneration Policy is to:

1. Attract and retain those people with the ability, experience and skill to deliver the strategy.
2. Create a direct and recognisable alignment between the rewards and risk exposure of shareholders and employees, particularly executive Directors and senior management.
3. Incentivise employees to deliver sustained performance consistent with strategic goals and appropriate risk management, and to reward success in this.
4. Deliver compensation that is affordable and appropriate in terms of value allocated to shareholders and employees.
5. Encourage behaviour consistent with the principles that guide Barclays business:

### i) Winning together

– Doing what is right for Barclays, its teams and colleagues, to achieve collective and individual success.

### ii) Best people

– Developing talented colleagues and differentiating compensation to reflect performance.

– Doing what is needed to ensure a leading position in the global financial services industry.

### iii) Customer and client focus

– Understanding what customers and clients want and need and then serving them brilliantly.

### iv) Pioneering

– Driving new ideas, especially those that make Barclays profitable and improve control.

– Improving operational excellence.

– Adding diverse skills to stimulate new perspectives and bold steps.

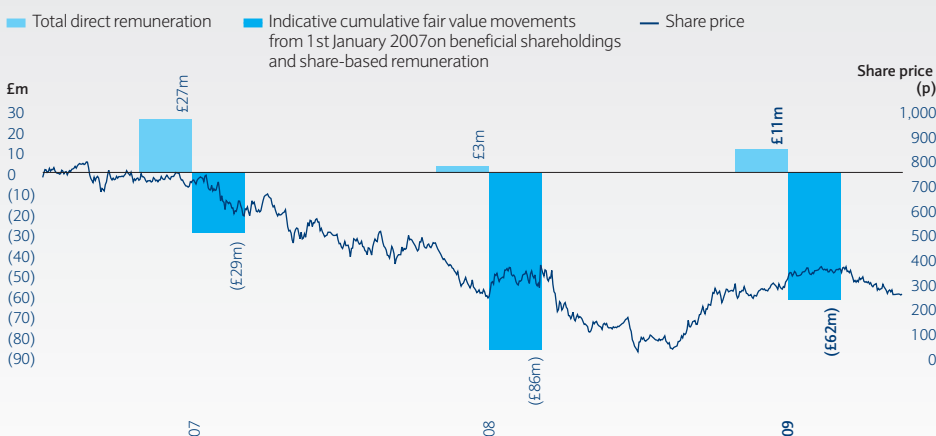
### v) Trusted

– Acting with the highest levels of integrity to retain the trust of customers, shareholders, other external stakeholders and colleagues.

– Taking full responsibility for decisions and actions.

– Reflecting the operation of independent, robust and evidence-based governance and control and complying with relevant legal and regulatory requirements.

## Executive Directors' remuneration – alignment of interests with shareholders



In addition to the interest in Barclays PLC shares above, Robert E Diamond Jr held equity interests in BGI Holdings which were disposed as part of the sale of BGI.



## Online communications

You can find more information about our results online at [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)



## Annual results

Visit [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09) for our expanded Annual Review and the full 2009 Annual Report. You can also watch videos of our senior management team talking about our performance in 2009 and the outlook for 2010.

## www.barclays.com

The easiest way to see your shareholder information is on our website [www.barclays.com](http://www.barclays.com). We have redesigned our shareholder pages, making it easier for you to find the information you need. As well as our annual results, you can find our half year results, interim management statements and information about your dividends on the day that they are announced.

## Barclays e-view

**Y**ou do not have to receive paper shareholder documentation from us. An increasing number of shareholders receive their Barclays communications electronically and are discovering the convenience of using the internet and email to find out about their shareholding and Barclays.

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

- access your Barclays shareholding details and check share sales, purchases or transfers;
- receive important shareholder information directly to your inbox;
- view dividend information, including electronic tax vouchers;
- change your address and bank details online;
- see shareholder documents such as the Annual Review, Annual Report or Results Announcements online; and
- register your voting instructions for General Meetings.

**Why not log on to e-view and see the benefits for yourself in 3 easy steps?**



## 3 step guide to Barclays e-view

### Step 1

Go to [www.eviewsignup.co.uk](http://www.eviewsignup.co.uk)

### Step 2

Register for electronic communications by following the instructions onscreen

### Step 3

You will be sent a secure access number in the post the next working day

## Shareholder information

# Annual General Meeting and key dates

## Annual General Meeting

The Barclays Annual General Meeting (AGM) will be held at a new venue this year. You are invited to attend the AGM at the Royal Festival Hall, Southbank Centre, Belvedere Road, London SE1 8XX on Friday 30th April 2010 at 11.00am.

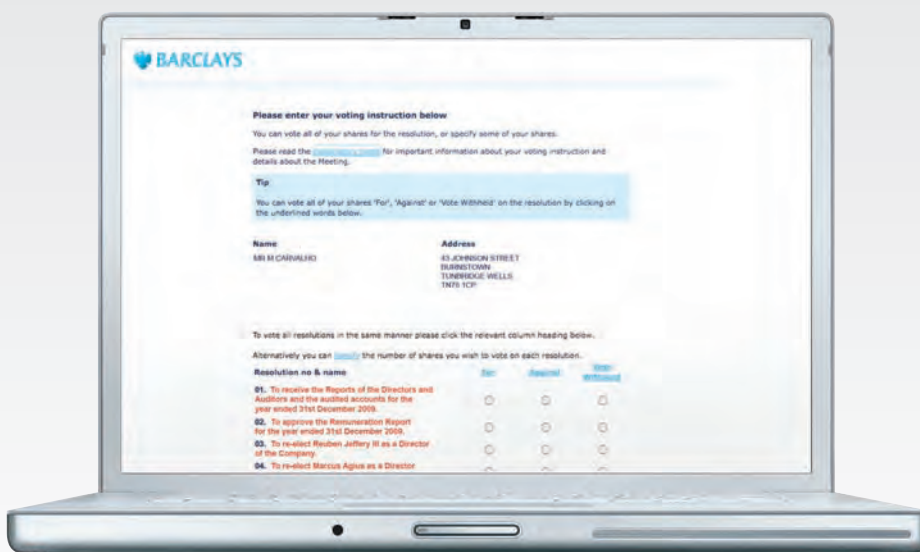
The nearest tube stations are Waterloo on the Bakerloo, Northern, Jubilee and Waterloo & City lines, Embankment on the District and Circle lines and Charing Cross on the Northern and Bakerloo lines. The nearest overground train stations are Waterloo and Charing Cross. Buses stop on Waterloo Bridge, York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

### Have your say!

If you have any questions that you would like answered before the AGM please write to: Shareholder Relations, Barclays PLC, Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP or email [privateshareholderrelations@barclays.com](mailto:privateshareholderrelations@barclays.com)

A summary of frequently asked questions will be available on the Barclays website at [www.barclays.com/investorrelations](http://www.barclays.com/investorrelations)

## Vote online



### Make voting easier

You can make voting easier and save time by voting online on the resolutions to be put to the 2010 Annual General Meeting. Even if you cannot attend the meeting in person you can log onto [www.barclays.com/investorrelations/vote](http://www.barclays.com/investorrelations/vote) and vote your shares online. In just a few clicks, your vote will be received.

## How to find the Royal Festival Hall



## Key dates

Barclays goes to great lengths to keep to the dates published here but please note that all future announcement dates are provisional and subject to change.

### 19th March 2010

Final dividend for 2009 to be paid

### 30th April 2010

Barclays Annual General Meeting

### June 2010

First interim dividend for 2010 to be paid

### September 2010

Second interim dividend for 2010 to be paid

### December 2010

Third interim dividend for 2010 to be paid



## Shareholder information

### Manage your shareholding

#### Barclays Sharestore

Barclays Sharestore is a convenient way to hold your Barclays shares electronically, without a share certificate. Each year, you will be sent a statement which sets out your shareholding. To join Sharestore you should download the application form from [www.barclays.com/investorrelations](http://www.barclays.com/investorrelations) or phone the Barclays Shareholder Helpline and ask for an application form. Transferring your shares into Sharestore is free.

#### The Barclays Dividend Reinvestment Plan (DRIP)

The DRIP is a straightforward and cost-effective way of using your dividends to build your shareholding in Barclays. Please download the application form from [www.barclays.com/investorrelations](http://www.barclays.com/investorrelations) or contact the Barclays Shareholder Helpline for more details.

#### Duplicate shareholdings

If you have two different accounts on the register (some shares held in paper form and some in Barclays Sharestore), you may want to join the accounts

together and hold all your shares in Sharestore. This means you would not receive two copies of our documents and you would receive one dividend payment each time a dividend is paid, rather than two. Please call the Barclays Shareholder Helpline for a form to amalgamate your holding.

#### If you lose your share certificate

You should contact the Registrar to Barclays and ask for a replacement. You will be sent a form of indemnity to sign and return. A new certificate will then be sent to you. Please note that there is a charge for this service.

#### What to do if a shareholder has died

You should write to the Registrar to Barclays and send them a certified copy of the death certificate together with the original Grant of Probate (or a sealed office copy) or the Letters of Administration. The name(s) of the deceased's personal representative(s) will be put on the share register while the estate is finalised. The Registrar will then place a temporary marker on

#### Important new information if you move home

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 below. If you hold more than 1,500 shares, you will need to write to the Registrar and provide a copy of your share certificate, Annual Sharestore Statement of Entitlement or most recent dividend tax voucher.

the register to ensure that, wherever possible, they do not issue further dividend payments or other correspondence in the shareholder's name. They will also send you the forms that you will need to complete.

#### ShareGift your shares

ShareGift, the charity donation scheme, is a free service for shareholders wanting to give shares to charitable causes. Further information can be obtained at [www.sharegift.org](http://www.sharegift.org) or by telephoning ShareGift on +44 (0)207 930 3737.

#### Alternative formats

Shareholder documentation can be provided in large print, audio or Braille free of charge by calling the Barclays Shareholder Helpline. 0871 384 2055\* (in the UK) +44 121 415 7004 (from overseas) Audio versions of the Annual Review will also be available at the AGM.

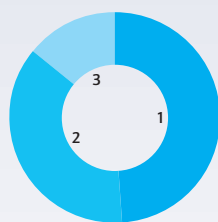
### Your dividends – an update

It is our policy to pay cash dividends on a quarterly basis. There will be three equal quarterly payments in June, September and December and a final variable payment in March each year.

#### Receiving your dividends

A majority of shareholders mandate their dividends to their bank or building society accounts. It is safer, quicker and easier for your dividends to be paid directly to you. You may be charged £10 plus VAT if you lose your dividend cheque and it is reissued to you. If you haven't already arranged to mandate your dividend, you can download a form online at [www.barclays.com/investorrelations](http://www.barclays.com/investorrelations). Alternatively you can phone the Barclays Shareholder Helpline.

#### How Barclays shareholders receive their dividends



1. Bank mandate  
49%
2. Cheque  
37%
3. Dividend Reinvestment Plan (DRIP)  
14%

### Contact information

#### The Registrar to Barclays

##### Any questions?

If you have any other questions about your Barclays shares, you can contact the Registrar to Barclays.



##### Phone

Barclays Shareholder Helpline  
0871 384 2055\* (from the UK)  
+44 121 415 7004 (outside the UK)



##### Email

[questions@share-registers.co.uk](mailto:questions@share-registers.co.uk)



##### Post

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



##### ABC Textphone

0871 384 2255\* (in the UK)  
+44 121 415 7028 (outside the UK)

##### The share price

Information on the Barclays share price is available at [www.barclays.com/investorrelations](http://www.barclays.com/investorrelations).

##### Buying and selling shares

If you hold your shares in Barclays Sharestore, you are only able to deal through Barclays Stockbrokers. For the special internet dealing service for Barclays Sharestore members visit [www.sharestore.barclays.co.uk](http://www.sharestore.barclays.co.uk) or contact Barclays Stockbrokers by phone on: 0845 604 0077 (in the UK)\*\* +44 141 352 3967 (outside the UK)

##### Give us your feedback

If you have any feedback on the format of our Annual Review, please let us know by emailing us at [privateshareholderrelations@barclays.com](mailto:privateshareholderrelations@barclays.com) or alternatively write to:

Shareholder Relations  
Barclays PLC  
Barclays Corporate Secretariat  
1 Churchill Place  
London E14 5HP

\* Calls to this number are charged at 8p per minute if using a BT landline. Call charges may vary if using other telephone providers. Lines are open from 8.30am to 5.30pm Monday to Friday.

\*\* Calls made to 0845 numbers are free for BT residential customers as part of their inclusive call package; otherwise calls will cost no more than 4p per minute plus 8p call set-up fee (current as at February 2009). The price on non-BT phones may vary; please check with your service provider. You can only use these numbers if you are calling within the UK. Calls may be recorded to monitor the quality of our service, to check instructions and for security purposes.

## Full Annual Report

The Annual Review and Summary Financial Statement is only a summary of information in the Barclays PLC Annual Report 2009.

Please note that this Annual Review, Summary Financial Statement and Summary remuneration report does not contain sufficient information to allow a full understanding of the results of the Group and the state of affairs of the Company or of the Group. For further information consult the Annual Report 2009. You can obtain a copy of the Annual Report 2009 and may also elect to receive all future Annual Reports, free of charge, by telephoning our Registrar on 0871 384 2055\* or you can view a copy at: [www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)

The Annual Report 2009 contains the Directors' report, the Remuneration report, the Auditors' report and the Financial Statements. The Auditors' report on the full accounts for the year ended 31st December 2009 was unqualified and did not include a statement under sections 498(2) (accounting records or returns inadequate or accounts not agreeing with records and returns) or 498(3) (failure to obtain necessary information and explanations) of the Companies Act 2006.

The statement under section 496 (whether Directors' report is consistent with accounts) was unqualified.



Go online

Further information on our Annual Report  
[www.barclays.com/annualreport09](http://www.barclays.com/annualreport09)



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1 Churchill Place, London E14 5HP

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### Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21 E 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', 'estimate', '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 which factors are 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.

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 Securities Exchange Commission (SEC).