

 **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 and tax 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 of your shares in Barclays PLC please send this document, together with any relevant accompanying documents, 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.

Barclays is exempt under PR1.2.2R(4) and PR1.2.3R(5) of the Prospectus Rules from the requirement to publish a prospectus in accordance with the Prospectus Directive (Directive 2003/71/EC) in connection with the Barclays PLC Scrip Dividend Programme.

Barclays PLC (the Company) offers a Scrip Dividend Programme (the Programme). The Programme offers shareholders and Barclays Sharestore (Sharestore) members the opportunity to receive new fully paid ordinary shares in the Company (the New Shares) instead of cash dividends.

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Please remember that the value of shares and the income from them may fall as well as rise, and whether you elect to participate in the Programme is your own decision depending on your individual circumstances. Past performance is no guide to future performance and if you are in any doubt about the action you should take you should contact an independent financial adviser.

If you currently receive cash dividends on your ordinary shares and wish to continue to receive cash dividends, you do not need to take any action and may disregard this document.

About the Programme

The Programme provides eligible shareholders with an opportunity, if they wish, to be issued New Shares instead of a cash dividend in respect of all future dividends for which the Programme is offered.

The operation of the Programme is subject always to the decision of the Company's Directors (the Directors) to make the Programme available in respect of a particular dividend. Should the Directors decide not to offer the Programme in respect of a particular dividend, a cash dividend will be paid instead.

Who can join the Programme

The Programme is open to all of the Company's ordinary shareholders, including Sharestore members and CREST shareholders, subject to certain restrictions for shareholders resident outside the UK, as set out below. The right to join the Programme is not transferable.

Shareholders who are resident outside the UK may treat this as an invitation to participate in the Programme provided that they do not live in nor are subject to the jurisdiction of any country where their participation and/or the invitation to participate in the Programme would require the Company to comply with local legal, governmental or regulatory requirements or procedures, or any similar formalities. Shareholders resident outside the UK are responsible for ensuring that they may validly participate in the Programme and for observing all relevant formalities. If you are resident outside the UK and you are in doubt, you should consult an independent professional adviser. Where local laws or regulations would not allow you to participate in the Programme, these Terms and Conditions and all other materials issued in connection with the Programme should be treated as having been provided for information purposes only.

Holders of American Depositary Receipts (ADRs) can participate in the Programme through our ADR provider, subject to the Summary of Terms for American Depositary Share (ADS) holders.

The Programme does not apply in respect of employees' entitlements under the Barclays Group Share Incentive Plan (Sharepurchase) or its global equivalents. Employees will continue to be entitled to dividend shares on their holding, subject to the terms of the relevant plan. Such plans operate separately to the Programme and will continue to do so.

How to participate in the Programme

Certificated shareholders and Sharestore members who wish to participate in the Programme should complete a Scrip Dividend Mandate Form (the Mandate Form) (as amended from time to time) and send it to Equiniti at the address provided. The Mandate Form is also available at home.barclays/dividends or from Equiniti using the contact details provided.

Participation in the Programme will be subject to meeting the terms set out on the Mandate Form. The Company and Equiniti reserve the right to treat as invalid any Mandate Form which is incomplete.

Completed Mandate Forms must be received by Equiniti no later than 16:30 (London time) on the election date for that dividend which will be a date before the payment date that will be announced as part of the announcement of the dividend. Elections to participate received after the election date will not apply to that dividend but will apply to dividends paid thereafter.

No acknowledgement of receipt will be made. The ex-dividend date, record date, Scrip reference share price, and election date in respect of any Scrip dividend will be announced and made available on the Barclays website at home.barclays/dividends.

Once a shareholder has completed and returned a valid Mandate Form to Equiniti, it will apply for all subsequent dividends where the Programme is offered, unless and until it is revoked by the shareholder.

Shareholders may only elect to participate for the full number of ordinary shares registered in their name(s) on the relevant record date, unless permission is given to allow the shareholder to elect in respect of a lesser number of shares. Please refer to the section entitled 'Partial elections'. To participate in the Programme for a particular dividend, shareholders' holdings must be on the Company's share register on the record date for the payment of that dividend.

Entitlement to New Shares

The number of New Shares that a participant will receive for each Scrip dividend will depend on the number of ordinary shares held at the dividend record date, the amount of the cash dividend to which they are entitled, any residual cash balance brought forward from the last Scrip dividend, and the Scrip reference share price to be used in calculating Scrip dividend entitlements.

Scrip reference share price

The Scrip reference share price will be the average of the middle market quotations for Barclays PLC ordinary shares on the Daily Official List of the London Stock Exchange on the five consecutive dealing days commencing on (and including) the date on which the ordinary shares are first quoted ex-dividend.

Formula

The formula used for calculating the maximum number of New Shares to be received for each Scrip dividend will be as follows:

$$\frac{\text{Maximum cash available}}{\text{Scrip reference share price}}$$

where the maximum cash available is the number of ordinary shares held at the relevant dividend record date multiplied by the cash dividend per ordinary share plus any residual cash balance brought forward.

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Illustrative example of New Share entitlement under the Programme

Number of ordinary shares held: 2,000
Dividend: 1p per ordinary share
Residual cash balance from previous Scrip dividend¹: £2.40
Scrip reference share price: £2.55

Step 1 – maximum cash available
(Cash dividend payable plus residual cash balance)

$$(2,000 \times £0.01) + £2.40 = £22.40$$

Step 2 – number of New Shares to be issued
(Maximum cash available divided by the Scrip reference share price)

$$\frac{£22.40}{£2.55} = 8.78431$$

rounded down to 8 New Shares, as no fractions of New Shares can be issued

Step 3 – residual cash balance
(Maximum cash available less value of New Shares)

$$£22.40 - (8 \times £2.55) = £2.00 \text{ residual cash balance}^2$$

1 No residual cash balance will be available for inclusion in respect of the first dividend that a shareholder participates in the Programme.

2 Any residual cash balance will be carried forward (without interest) to the next dividend payment and included in the calculation of the next Scrip dividend entitlement.

Listing and ranking of the New Shares

Application will be made for the New Shares to be admitted to the Official List of the UK Listing Authority (UKLA) and to trading on the London Stock Exchange on the dividend payment date. The New Shares will be credited as fully paid and will rank equally in all respects with the existing ordinary shares (including the same voting rights) except for participation in the relevant dividend. In the unlikely event that the New Shares are not admitted for listing, or if any other condition is not fulfilled, the Company will pay the dividend in cash in the usual way as soon as reasonably practicable.

Statements and share certificates

Once New Shares have been issued, shareholders will receive a dividend confirmation, showing the number of New Shares issued, the Scrip reference share price, and the total 'cash equivalent' of the New Shares for tax purposes. If the dividend payable, together with any residual cash balance brought forward, is insufficient to acquire at least one New Share, the statement will show the residual cash balance carried forward.

Subject to the New Shares being admitted to the official list of the UKLA and to trading on the London Stock Exchange, on or about the dividend payment date, the New Shares issued to

shareholders participating in the Programme will be registered in their name and certificated shareholders will be sent, at their risk, a share certificate. Dealings in the New Shares are expected to begin on the dividend payment date.

Sharestore members and CREST shareholders will have their accounts credited directly with New Shares on the dividend payment date or as soon as practicable thereafter and will receive a dividend confirmation as above.

New Shares issued under the Programme will increase the shareholding on which the next Scrip dividend entitlement can be calculated.

Residual cash balances

Except in the circumstances set out below, any residual cash balance remaining after the issue of New Shares, or which was insufficient to acquire a whole New Share, will be carried forward (without interest) by the Company and included in the calculation for the next Scrip dividend entitlement under these Terms and Conditions.

Any residual cash balance carried forward on behalf of Sharestore members or any dividend money that is too little to buy one whole share will be held by Equiniti as client money in accordance with the Sharestore Terms and Conditions and in accordance with FCA rules.

In the following cases, any residual cash balance carried forward will be paid (without interest):

- (a) to the shareholder – upon written request being received by Equiniti for such residual cash balance to be returned. Shareholders should note that any written request for the return of a residual cash balance will be treated as a notice of withdrawal from the Programme;
- (b) to the shareholder – where the residual cash balance exceeds £3, if:
 - (i) the mandate to participate in the Programme has been revoked by telephone in writing or online at www.shareview.co.uk; or
 - (ii) all of the shareholder's ordinary shares are sold or transferred; or
 - (iii) Equiniti receives proper notice of the shareholder's death (in which case the residual cash balance will be returned to the deceased's estate), bankruptcy or mental incapacity, or, in the case of a corporate shareholder, of such body being placed in liquidation; or
 - (iv) the Company terminates the Programme;
- (c) to the shareholder – where the shareholder is a member of Sharestore, as set out in clause 3 of the Sharestore Terms and Conditions;
- (d) to a registered charity of the Company's choice – where the shareholder holds ordinary shares and the residual cash balance does not exceed £3, if any of the events described in (b) above occur (subject to no written request being received to do otherwise – see (a) above).

Payments of the residual cash balances to shareholders will be paid by cheque sent, at the shareholder's risk, as soon as reasonably practicable after the relevant event, or by other appropriate payment means.

Multiple shareholdings

If ordinary shares are registered in more than one holding, each holding will require a separate election. Shareholders who would like to consolidate their shareholdings should contact Equiniti.

Joint shareholdings

The Mandate Form must be signed by all joint shareholders to be valid.

Partial elections

The Directors may, at their discretion, permit a shareholder to elect to participate in the Programme in respect of a lesser number of ordinary shares than their full holding. Applications for partial election must be received by Equiniti no later than 16:30 (London time) on the election date for that dividend.

If a shareholder is permitted to participate in the Programme in respect of a lesser number of ordinary shares than their full holding, a cash dividend will be paid on the balance of ordinary shares not included in the Programme.

How to leave the Programme

You may leave the Programme at any time by completing and returning a Scrip Dividend Revocation Form (the Revocation Form), online at www.shareview.co.uk or by telephoning Equiniti using the contact details provided. The Revocation Form is available on home.barclays/dividends or from Equiniti. For a revocation to apply in respect of a particular dividend, instructions must be received by Equiniti no later than 16:30 (London time) on the election date for that dividend. A revocation instruction received after the election date will not apply to that dividend but will apply to dividends paid thereafter.

Recent sale or purchase of ordinary shares

If a shareholder has bought any additional ordinary shares and they are registered by the record date for a dividend to which the shareholder is entitled, the additional ordinary shares will be covered by the existing mandate.

The shareholder's mandate will be deemed to be revoked in relation to any ordinary shares that are sold or transferred to another person, but only with effect from the registration of the sale or transfer. If shareholders are unclear as to whether they are entitled to the dividend on recently purchased ordinary shares they are advised to contact their stockbroker or other agent through whom the purchase was made.

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Other circumstances in which an election will be deemed to be revoked

A shareholder's election to participate will be deemed to be revoked on receipt by Equiniti of proper notice of the shareholder's death, bankruptcy or mental incapacity or, in the case of a corporate shareholder, of such body being placed in liquidation. However, where the ordinary shares are held jointly with others, participation in the Programme will continue for that shareholding.

CREST shareholders joining and leaving the Programme

CREST shareholders may only join the Programme by using the CREST Dividend Election Input (KMIN) Message system entered through CREST no later than 16:30 (London time) on the election date for that dividend. By doing so, CREST shareholders confirm their election to participate in the Programme and their acceptance of these Terms and Conditions, as amended from time to time. Other methods of election, including a paper Mandate Form, will not be accepted.

The Company intends that CREST shareholders will be offered the opportunity to make an evergreen election so that their election will apply to all future dividends for which the Programme is offered. CREST shareholders will be able to make the election through the CREST Dividend Election Input (KMIN) Message system and in accordance with the CREST Reference Manual (as amended from time to time).

If a CREST shareholder, acting on behalf of more than one beneficial holder, makes an evergreen election in respect of a specific number of ordinary shares, that number of ordinary shares will be used for future dividends, unless the election is deleted. If the number of ordinary shares held is less than the specified evergreen election, then the record date balance will apply for the election.

CREST shareholders may alternatively make a one-off election via the CREST Dividend Election Input (KMIN) Message system, which will apply in respect of the next dividend only. This election will only be available after an announcement which states that the Programme will be available for that dividend.

Once an election is made using the CREST Dividend Election Input (KMIN) Message system it cannot be amended. Therefore, if a CREST shareholder wished to change their election, the previous election would have to be deleted and a new election made. All elections made via the CREST system should be submitted in accordance with the procedures as stated in the CREST Reference Manual (as amended from time to time).

CREST shareholders may delete an election through the CREST system. For a deletion to apply in respect of a particular dividend, it must be input through CREST no later than 16:30 (London time) on the election date for that dividend. If the election is input after the election date, it will not apply to that dividend but will apply to dividends thereafter.

If a CREST shareholder is acting on behalf of more than one beneficial owner the Directors may, at their discretion, allow that shareholder to elect to

participate in the Programme in respect of a lesser number of ordinary shares than their full holding. If a CREST shareholder wishes the Directors to exercise their discretion, their CREST Dividend Election Input Message must state the number of ordinary shares for which the election is being made. If the number is zero, the election will be rejected. A cash dividend will be paid on any balance of ordinary shares not included in the Programme.

Changes to or cancellation of the Programme

The operation of the Programme requires shareholder approval which must be renewed if the Directors wish to Continue the Programme. The Company's Articles of Association permit the Directors to seek this authority for a period of up to five years. However, in line with current investor protection guidelines shareholder approval is renewed every three years should the Directors wish the Programme to continue.

The Programme may be suspended or terminated or (with valid reason) changed at any time at the discretion of the Directors, without notice to individual shareholders. Details of suspension, termination and any amendments to these Terms and Conditions will be made available at home.barclays/dividends as soon as practicable.

If these Terms and Conditions are amended, existing elections to participate in the Programme will (unless otherwise specified by the Directors) be deemed to remain valid unless and until Equiniti receives a Revocation Form, or instruction by telephone; or CREST shareholders delete that election.

If the Programme is suspended, any residual cash balances will be carried forward to the next dividend for which the Programme is offered. If the Programme is terminated, any residual cash balances will be paid to a registered charity of the Company's choice in accordance with the section entitled 'Residual cash balances'.

The operation of the Programme is subject always to the Directors' decision to offer the Programme in respect of a particular dividend. The Directors may also, after such an offer is made, withdraw the offer generally at any time prior to the issue of New Shares under the Programme. If the offer is withdrawn in such circumstances, a cash dividend will be paid as soon as practicable on or after the dividend payment date.

Communication

All documents sent by post will be sent at each shareholder's risk and neither the Company nor Equiniti will be liable for any accidental failure to receive any document. All notices and documents will be sent to the first named shareholder at the address on the share register. If the sole or first-named joint holder has given the Company an email address;

- the Company will have a discretion to send any notices or other documents to you via that email address; and
- by sending to that email address a link to the Company's website, the Company will have a discretion to use that website to provide to

you (together with other participants in the Programme) general information or documents relevant to these Terms and Conditions in the future. For example, the Company may use the website to advise you of changes or amendments to these Terms and Conditions, rather than having to send this type of information to you (and all other participants in the Programme) individually by post or email.

If you provide the Company with an email address but subsequently decide that you do not want the Company to communicate with you by email or using a website, please send Equiniti a letter stating this and it will resume using the last postal address they have for you.

Governing law

The Programme (including the Mandate Form, Revocation Form and any related documents) is subject to the Company's Articles of Association and these Terms and Conditions, as amended from time to time, and is governed by, and these Terms and Conditions are to be construed in accordance with, English law. By electing to receive New Shares under the Programme, you agree that any proceedings between you and the Company in relation to the Programme will be subject to the jurisdiction of the courts of England and Wales.

Any contract made between you and the Company pursuant to these Terms and Conditions will be in the English Language and communications from the Company will be in English.

Taxation treatment for UK residents

The Company understands that under current UK legislation and HM Revenue & Customs (HMRC) practice (which may not be binding on HMRC) as at 23 March 2018, the taxation consequences for shareholders electing to receive New Shares instead of a cash dividend will broadly be as set out below.

Please remember:

- This summary is only an outline of the tax position, not a comprehensive picture – your own tax treatment will depend on your individual circumstances.
- It only covers the position of shareholders resident in the UK for taxation purposes who hold their ordinary shares beneficially as an investment, otherwise than under an individual savings account and who have not (and are not deemed to have) acquired their ordinary shares by reason of any office or employment.
- It does not address the position of certain classes of shareholders such as dealers in securities.
- UK legislation and HMRC practice can change from time to time, sometimes with retrospective effect.
- Shareholders who may be subject to taxation in a jurisdiction other than the UK should seek their own professional advice.
- If you are in any doubt as to your tax position, you should consult your solicitor, accountant or other professional adviser before taking any action.

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UK resident individual shareholders

Income tax

An individual shareholder who is a UK resident and elects to receive New Shares will have the same liability to income tax as the shareholder would have had on the receipt of a cash dividend of an amount equal to the 'cash equivalent' of the New Shares. The 'cash equivalent' of the New Shares will be the amount of the cash dividend which the shareholder would have received in the absence of an election to take New Shares, unless the market value of the New Shares on the first day of dealings on the London Stock Exchange differs by 15% or more of such cash dividend amount in which case the market value will be treated as the 'cash equivalent' of the New Shares for taxation purposes.

Where part of the cash dividend foregone is not applied in determining the number of New Shares to which the shareholder is entitled, and this residual cash balance is carried forward, our understanding is that HMRC take the view that the shareholder will not be taxed on this amount unless and until it is paid to the shareholder (in which case it will be treated as a dividend in the ordinary way) or applied towards the acquisition of New Shares (in which latter case the tax treatment will be as described below).

All dividends received by an individual shareholder (from all sources including cash equivalent amount received in respect of the New Shares) form part of the shareholder's total income for income tax purposes and represents the highest part of that income (the "**Dividend Income**").

For the tax year 2018/19, a nil rate of income tax applies to the first £2,000 of taxable Dividend Income received by an individual shareholder in a tax year (the "**Nil Rate Amount**"), regardless of what tax rate would otherwise apply to that Dividend Income. For the tax year 2017/18, this amount was £5,000.

Where an individual shareholder's taxable Dividend Income for a tax year exceeds the Nil Rate Amount, the excess amount (the "**Relevant Dividend Income**") is subject to income tax at the following dividend rates:

- (i) at the rate of 7.5%, to the extent that the Relevant Dividend Income falls within the basic tax band;
- (ii) at the rate of 32.5%, to the extent that the Relevant Dividend Income falls within the higher tax band; and
- (iii) at the rate of 38.1%, to the extent that the Relevant Dividend Income falls into the additional tax band.

In determining the tax band the Relevant Dividend Income falls into, the individual shareholder's total Dividend Income for the tax year in question (including the part within the Nil Rate Amount) will be treated as the highest part of the shareholder's total income for income tax purposes.

Subject to what is said above in relation to the determination of the 'cash equivalent' of the New Shares, this treatment is the same as that for cash dividends.

Capital Gains Tax

For Capital Gains Tax purposes, if an individual shareholder who is UK tax resident makes an election to receive New Shares instead of a cash dividend, such New Shares will be treated as a new asset acquired on the date the New Shares are issued and the 'cash equivalent' of the New Shares (as described above) will be treated as being the base cost of the New Shares.

UK resident trustees

Where an election to receive New Shares instead of a cash dividend is made by trustees of trusts which are liable to income tax the dividend trust rate (currently 38.1%) applies. For the avoidance of doubt, the Nil Rate Amount is not expected to apply.

Where New Shares are received instead of a cash dividend, the 'cash equivalent' of the New Shares is treated as consideration given for the New Shares for Capital Gains Tax purposes.

To understand how you may be affected and for further information visit both HMRC websites www.gov.uk/tax-on-dividends/how-dividends-are-taxed and www.gov.uk/government/publications/income-tax-dividend-allowance-reduction/income-tax-dividend-allowance-reduction.

UK resident companies

A corporate shareholder is not generally liable to corporation tax on cash dividends and will not be charged corporation tax on New Shares received instead of a cash dividend. These New Shares will be added to the corporate shareholder's existing holding of ordinary shares in the Company and treated as having been acquired when the existing holding was acquired. For the purposes of corporation tax on chargeable gains, no consideration will be treated as having been given for the New Shares; so there will be no increase in base cost.

UK pension funds

Generally, pension funds are not subject to UK tax on dividends.

Stamp duty and stamp duty reserve tax

No stamp duty or stamp duty reserve tax will be payable on the issue of New Shares.

Contact Equiniti by:

 **Web**
www.shareview.co.uk

 **Telephone**
0371 384 2055* in the UK
+44 121 415 7004 from overseas

 **Postal address**
Equiniti
Aspect House, Spencer Road
Lancing, West Sussex
BN99 6DA United Kingdom

*Lines open 8:30am to 5:30pm Monday to Friday, excluding public holidays

Alternative formats

These Terms and Conditions are available in Braille, large print or on audio CD;

please contact Equiniti on 0371 384 2055* from the UK or +44 (0) 121 415 7004 from overseas.

A textphone service is also available on 0345 384 2255.

Equiniti Limited (Registrars for Barclays plc) and Equiniti Financial Services Limited (provider of Barclays Sharestore) are part of the Equiniti Group. Their registered offices are Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA United Kingdom. Equiniti Limited is registered in England & Wales with No. 6226088. Equiniti Financial Services Limited is registered in England & Wales with No. 6208699 and is authorised and regulated by the UK Financial Conduct Authority no. 468631.

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