BARCLAYS PLC
Form 20-F
March 30, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 20-F

(Mark One)

¨ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2011

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

OR

¨ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report ____________

Commission file numbers	Barclays PLC	1-09246
	Barclays Bank PLC	1-10257

BARCLAYS PLC

BARCLAYS BANK PLC

(Exact Names of Registrants as Specified in their Charter[s])

ENGLAND

(Jurisdiction of Incorporation or Organization)

1 CHURCHILL PLACE, LONDON E14 5HP, ENGLAND

(Address of Principal Executive Offices)

PATRICK GONSALVES, +44 (0)20 7116 2901, PATRICK.GONSALVES@BARCLAYS.COM

1 CHURCHILL PLACE, LONDON E14 5HP, ENGLAND

*(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Barclays PLC

Title of Each Class	Name of Each Exchange On Which Registered
25p ordinary shares	New York Stock Exchange*
American Depository Shares, each representing four 25p ordinary shares	New York Stock Exchange

* Not for trading, but in connection with the registration of American Depository Shares, pursuant to the requirements of the Securities and Exchange Commission.

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Barclays Bank PLC

Title of Each Class	Name of Each Exchange On Which Registered
Callable Floating Rate Notes 2035	New York Stock Exchange
Non-Cumulative Callable Dollar Preference Shares, Series 2	New York Stock Exchange*
American Depository Shares, Series 2, each representing one Non-Cumulative Callable Dollar Preference Share, Series 2	New York Stock Exchange
Non-Cumulative Callable Dollar Preference Shares, Series 3	New York Stock Exchange*
American Depository Shares, Series 3, each representing one Non-Cumulative Callable Dollar Preference Share, Series 3	New York Stock Exchange
Non-Cumulative Callable Dollar Preference Shares, Series 4	New York Stock Exchange*
American Depository Shares, Series 4, each representing one Non-Cumulative Callable Dollar Preference Share, Series 4	New York Stock Exchange
Non-Cumulative Callable Dollar Preference Shares, Series 5	New York Stock Exchange*
American Depository Shares, Series 5, each representing one Non-Cumulative Callable Dollar Preference Share, Series 5	New York Stock Exchange
5.140% Lower Tier 2 Notes due October 2020	New York Stock Exchange
iPath® Dow Jones UBS Commodity Index Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Agriculture Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Aluminum Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Cocoa Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Coffee Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Copper Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Cotton Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Energy Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Grains Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Industrial Metals Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Lead Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Livestock Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Natural Gas Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones UBS Nickel Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Platinum Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Precious Metals Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Softs Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Sugar Subindex Total Return℠ ETN	NYSE Arca
iPath® Dow Jones-UBS Tin Subindex Total Return℠ ETN	NYSE Arca
iPath® S&P GSCI® Total Return Index ETN	NYSE Arca
iPath® S&P GSCI® Crude Oil Total Return Index ETN	NYSE Arca
iPath® CBOE S&P 500 BuyWrite Index℠ ETN	NYSE Arca

iPath® MSCI India Index℠ ETN	NYSE Arca

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iPath® EUR/USD Exchange Rate ETN	NYSE Arca
iPath® GBP/USD Exchange Rate ETN	NYSE Arca
iPath® JPY/USD Exchange Rate ETN	NYSE Arca
iPath® S&P 500 VIX Short-Term Futures™ ETN	NYSE Arca
iPath® S&P 500 VIX Mid-Term Futures™ ETN	NYSE Arca
iPath® Inverse S&P 500 VIX Short-Term Futures™ ETN	NYSE Arca
iPath® Long Extended Russell 1000® TR Index ETN	NYSE Arca
iPath® Short Extended Russell 1000® TR Index ETN	NYSE Arca
iPath® Long Extended Russell 2000® TR Index ETN	NYSE Arca
iPath® Short Extended Russell 2000® TR Index ETN	NYSE Arca
iPath® Long Enhanced MSCI EAFE® TR Index ETN	NYSE Arca
iPath® Short Enhanced MSCI EAFE® TR Index ETN	NYSE Arca
iPath® Long Enhanced MSCI Emerging Markets Index ETN	NYSE Arca
iPath® Short Enhanced MSCI Emerging Markets Index ETN	NYSE Arca
iPath® Long Extended S&P 500® TR Index ETN	NYSE Arca
iPath® Short Extended S&P 500® TR Index ETN	NYSE Arca
iPath® Global Carbon ETN	NYSE Arca
iPath® Optimized Currency Carry ETN	NYSE Arca
iPath® US Treasury Steepener ETN	NYSE Arca
iPath® US Treasury Flattener ETN	NYSE Arca
iPath® US Treasury 2-year Bull ETN	NYSE Arca
iPath® US Treasury 2-year Bear ETN	NYSE Arca
iPath® US Treasury 10-year Bull ETN	NYSE Arca
iPath® US Treasury 10-year Bear ETN	NYSE Arca

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iPath® US Treasury Long Bond Bull ETN	NYSE Arca
iPath® US Treasury Long Bond Bear ETN	NYSE Arca
iPath® Pure Beta Broad Commodity ETN	NYSE Arca
iPath® Pure Beta S&P GSCI®-Weighted ETN	NYSE Arca
iPath® Pure Beta Cocoa ETN	NYSE Arca
iPath® Pure Beta Coffee ETN	NYSE Arca
iPath® Pure Beta Cotton ETN	NYSE Arca
iPath® Pure Beta Sugar ETN	NYSE Arca
iPath® Pure Beta Aluminum ETN	NYSE Arca
iPath® Pure Beta Copper ETN	NYSE Arca
iPath® Pure Beta Lead ETN	NYSE Arca
iPath® Pure Beta Nickel ETN	NYSE Arca
iPath® Pure Beta Crude Oil ETN	NYSE Arca
iPath® Seasonal Natural Gas ETN	NYSE Arca
iPath® Pure Beta Agriculture ETN	NYSE Arca
iPath® Pure Beta Grains ETN	NYSE Arca
iPath® Pure Beta Softs ETN	NYSE Arca
iPath® Pure Beta Industrial Metals ETN	NYSE Arca
iPath® Pure Beta Energy ETN	NYSE Arca
iPath® Pure Beta Livestock ETN	NYSE Arca
iPath® Pure Beta Precious Metals ETN	NYSE Arca
iPath® Long Enhanced S&P 500 VIX Mid-Term Futures™ ETN (II)	NYSE Arca
iPath® US Treasury 5-year Bull ETN	NYSE Arca
iPath® US Treasury 5-year Bear ETN	NYSE Arca
iPath® S&P 500 Dynamic VIX ETN	NYSE Arca
iPath® Inverse S&P 500 VIX Short-Term Futures™ ETN (II)	NYSE Arca
iPath® GEMS Index™ ETN	NYSE Arca
iPath® GEMS Asia 8 ETN	NYSE Arca
iPath® Asian and Gulf Currency Revaluation ETN	NYSE Arca
Barclays ETN+ S&P 500® Dynamic VEQTOR ETN	NYSE Arca
Barclays ETN + Short C Leveraged Exchange Traded Notes Linked to the Inverse Performance of the S&P 500® Total Return Index℠	NYSE Arca
Barclays ETN + Long B Leveraged Exchange Traded Notes Linked to the S&P 500® Total Return Index℠	NYSE Arca
Barclays ETN + Short B Leveraged Exchange Traded Notes Linked to the Inverse Performance of the S&P 500® Total Return Index℠	NYSE Arca
Barclays ETN + Long C Leveraged Exchange Traded Notes Linked to the S&P 500® Total Return Index℠	NYSE Arca

* Not for trading, but in connection with the registration of American Depository Shares, pursuant to the requirements of the Securities and Exchange Commission.

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Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuers classes of capital or common stock as of the close of the period covered by the annual report.

Barclays PLC	25p ordinary shares	12,199,474,154
Barclays Bank PLC	£1 ordinary shares	2,342,558,515
	£1 preference shares	1,000
	£100 preference shares	75,000
	100 preference shares	240,000
	$0.25 preference shares	237,000,000
	$100 preference shares	100,000

Indicate by check mark if each registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes þ No ¨

If this report is an annual or transition report, indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act 1934.

Yes ¨ No þ

Note Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrants: (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

Yes þ No ¨

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate Web sites, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ¨ No ¨

Indicate by check mark whether each registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Barclays PLC

Large Accelerated Filer þ   Accelerated Filer ¨   Non-Accelerated Filer ¨

Barclays Bank PLC

Large Accelerated Filer ¨   Accelerated Filer ¨   Non-Accelerated Filer þ

*Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ¨

International Financial Reporting Standards as issued by the International Accounting Standards Board þ

Other ¨

*If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

Item 17 ¨

Item 18 ¨

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If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ¨ No þ

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS.)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes ¨ No ¨

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SEC Form 20-F Cross reference information

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* Captions have been included only in respect of pages with multiple sections on the same page in order to identify the relevant caption on that page covered by the corresponding Form 20-F item number.

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

Unless otherwise stated, the income statement analyses compare the 12 months to 31 December 2011 to the corresponding 12 months of 2010 and balance sheet comparisons, relate to the corresponding position at 31 December 2010. Unless otherwise stated, all disclosed figures relate to continuing operations. Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the glossary on pages 318 to 326. A hard copy can be provided on request by contacting Barclays Investor Relations, Barclays PLC, 1 Churchill Place, London E14 5HP.

Certain non-IFRS measures

Barclays management believes that the non-IFRS measures included in this document provide valuable information to readers of its financial statements because they enable the reader to identify a more consistent basis for comparing the business performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Key non-IFRS measures included in this document, and the most directly comparable IFRS measures, are:

Adjusted profit/(loss) before tax is the non-IFRS equivalent of profit/(loss) before tax as it principally excludes gains on own credit and debt buy-backs, impairment on our stake in Blackrock, Inc., a provision for PPI and goodwill write-offs. A full reconciliation of IFRS and Adjusted profit /(loss) before tax is presented on pages 273 to 276;

Adjusted profit after tax represents profit after tax excluding the post-tax impact of gains on own credit and debt buy-backs, impairment on our stake in Blackrock, Inc., a provision for PPI and goodwill write-offs. A full reconciliation is provided on pages 273 to 276;

Adjusted profit after tax and non-controlling interests represents adjusted profit after tax less profit attributable to non-controlling interests. The comparable IFRS measure is profit after tax and non-controlling interests. A full reconciliation is provided on pages 273 to 276;

Income excluding own credit and debt buy backs represents total income net of insurance claims excluding own credit and debt buy backs. A full reconciliation is provided on pages 273 to 276;

Adjusted net operating income represents net operating income excluding gains on own credit, gains on debt buy-backs and impairment on our stake in Blackrock, Inc. A full reconciliation is provided on pages 273 to 276;

Adjusted operating expenses represents operating expenses excluding the provision for PPI and goodwill write-offs. A reconciliation is provided on pages 273 to 276;

Adjusted cost: income ratio represents cost:income ratio excluding gains on own credit and debt buy-backs, a provision for PPI and goodwill write-offs. The comparable IFRS measure is cost: income ratio, which represents operating expenses to income net of insurance claims. A reconciliation of the components used to calculate adjusted cost: income ratio to their corresponding IFRS measures is provided on pages 273 to 276;

Adjusted return on average shareholders equity represents adjusted profit after tax and non-controlling interests (set out on pages 273 to 276) divided by average equity, excluding the cumulative impact of own credit gains recognised in Head Office Functions and Other Operations. The comparable IFRS measure is return on average shareholders equity, which represents profit after tax and non-controlling interests, divided by average equity;

Adjusted return on average tangible shareholders equity represents adjusted profit after tax and non-controlling interests (set out on pages 273 to 276) divided by average tangible equity, excluding the cumulative impact of own credit gains recognised in Head Office Functions and Other Operations. The comparable IFRS measure is return on average tangible shareholders equity, which represents profit after tax and non-controlling interests, divided by average tangible equity;

Adjusted return on average risk weighted assets represents adjusted profit after tax (set out on pages 273 to 276) divided by average risk weighted assets. The comparable IFRS measure is return on average risk weighted assets, which represents profit after tax divided by average risk weighted assets;

Total incentive awards granted are non-IFRS measures as they represent incentive awards granted as opposed to the income statement charge, which reflects the charge for employees actual services provided to the Group during the relevant calendar year. These non-IFRS measures have been presented as they provide a consistent basis for comparing the bonus pool between financial periods. A reconciliation of total incentive awards to the income statement charge for performance costs is provided on page 38; and

Adjusted gross leverage is a non-IFRS measure representing the multiple of adjusted total tangible assets over total qualifying Tier 1 capital. Adjusted total tangible assets are total assets adjusted to allow for derivative counterparty netting where the Group has a legally enforceable master netting agreement, assets under management on the balance sheet, settlement balances and cash collateral on derivative liabilities, goodwill and intangible assets. This measure has been presented as it provides for a metric used by management in assessing balance sheet leverage. Barclays management believes that this measure provides useful information to readers of Barclays financial statements as a key measure of stability, which is consistent with the views of regulators and investors. The comparable IFRS measure is the ratio of total assets to total shareholders equity. The calculation of adjusted gross leverage, as well as total assets to total shareholders equity, is presented on page 108.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group s plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as may , will , seek , continue , aim , anticipate , target , expect , intend , plan , goal , believe or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group s future financial position, income growth, assets, impairment charges, business strategy, capital ratios, leverage, payment of dividends, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures and plans and objectives for future operations and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic, Eurozone 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 (including requirements regarding capital and Group structures and the potential for one or more countries exiting the Euro), changes in legislation, the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of current and future litigation, the success of future acquisitions and other strategic transactions and the impact of competition a number of such factors being beyond the Group s control. As a result, the Group s actual future results may differ materially from the plans, goals, and expectations set forth in the Group s forward-looking statements. Any forward-looking statements made herein are as at the date they are made. Except as required by the UK Financial Services Authority (FSA), the London Stock Exchange plc (LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly updates or revisions to forward-looking statements 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 LSE and/or the U.S Securities and Exchange Commission (SEC).

Market and other data

This document contains information, including statistical data, about certain of Barclays markets and its competitive position. Except as otherwise indicated, this information is taken or derived from Datastream and other external sources. Barclays cannot guarantee the accuracy of information taken from external sources, or that, in respect of internal estimates, a third party using different methods would obtain the same estimates as Barclays.

Use of Internet Addresses

This document contains inactive textual addresses of Internet websites operated by us and third parties. Reference to such websites is made for informational purposes only, and information found at such websites is not incorporated by reference into this document.

Cover image

As part of our Citizenship agenda, we focus on empowering young people with the necessary financial, entrepreneurial and life skills to achieve economic independence and security.

Barclays supports Cycle into Work, an initiative developed and delivered by our social enterprise partner Bikeworks, which helps disadvantaged Londoners to learn key skills and find employment in the cycling industry.

The community investment programme supports Bikeworks to work in partnership with homeless hostels and shelters in London to reach vulnerable young people, offering them bicycle building and maintenance courses.

Employees also volunteer as mentors to help participants improve their confidence, communication skills and job prospects, as well as provide them with opportunities for team work and social interaction.

Trainees access on-the-job training and professional qualifications in bike mechanics alongside tailored personal development support. Graduates of the programme are then supported to access employment opportunities with Barclays Cycle Hire and cycling retailers in London.

www.bikeworks.org.uk

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Governance

Bikeworks

Barclays supports Bikeworks, an award-winning social enterprise that uses the power of cycling to help participants develop skills to secure a job.

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Corporate governance report

Dear Shareholder

The fundamental purpose of any company is the creation and delivery of long-term sustainable shareholder value in a manner consistent with its obligations as a responsible corporate citizen. Corporate governance must be seen in this context it is not an objective in its own right but a vital facilitator to the creation of long-term value for our owners. However, the creation of shareholder value is influenced by many factors, both internal and external and the Board and I are very conscious that the financial crisis has resulted in Barclays shareholders suffering a large erosion in the value of their holding. We continue therefore to review our corporate governance processes and practices carefully to ensure they are fit for purpose and have again conducted a rigorous, externally facilitated Board Effectiveness Review during 2011.

So, how is the Barclays Board seeking to create and sustain value over the long-term? We aim to achieve this by understanding the external factors that present risks and opportunities for our business, thereby ensuring our strategy is appropriate; building strong and stable relationships with our customers, employees and suppliers; and ensuring that we manage our risks and scarce resources, including capital, appropriately. Our strategy is focused on four key priorities: Capital; Returns; Income Growth; and Citizenship and we ensure our Board discussions are focused on these issues.

External factors continue to have a significant impact on Barclays. The demands and expectations of governments, regulators and of society as a whole as to the role of banks and other financial institutions have resulted in a number of changes in the regulatory environment that will have a profound impact on our strategy and business model. Furthermore, ongoing global economic uncertainty, particularly surrounding the Eurozone, has led to continued weak market conditions. It is important in such an environment that the Board meets regularly and is kept fully informed. Consequently, in 2011, in addition to our eight scheduled meetings, two of which were held overseas, we held eight additional Board meetings to discuss, amongst other things, the uncertainty in the Eurozone; market conditions; the findings and recommendations of the Independent Commission on Banking (ICB), as published in both their interim and final reports; and our commitments under Project Merlin, the agreement between the UK Government and the four major UK banks on commitment to lending in the UK.

Good corporate governance is vital in supporting the delivery of our strategic priorities. Our Board Committees play an important role in working with management to ensure our business is financially strong, that it is well-governed and that any risks are identified and mitigated. It is important that we generate income in a sustainable way and manage our risks and costs properly, without eroding the controls we have in place. The Board Audit Committee, chaired by Sir Michael Rake, has a key oversight role in ensuring that our financial statements are a true and fair representation of our financial position and strength and that our control environment is robust and maintained. It is vital that our levels of capital, funding and liquidity are regarded as rock solid, particularly in times of economic dislocation, and the Board Risk Committee, chaired by David

Booth, provides oversight of and advice on both our risk appetite and management and our capital and liquidity strategies. And it is essential that we reward our people appropriately, that their pay reflects performance and that we do not incentivise them to take inappropriate levels of risk. The Board Remuneration Committee, chaired by Alison Carnwath, provides direction and oversight of our remuneration policy. Each of the Board Committee Chairmen reports personally later in this report.

We must also demonstrate our wider value to society. To support the delivery of this objective, in August 2011 we created a Board Citizenship Committee, which I chair. I am joined on the Committee by Sir John Sunderland and Dambisa Moyo, and we held its first meeting in late 2011. Our remit is to have oversight of our conduct with regard to our corporate and societal obligations and our reputation as a responsible corporate citizen. We will oversee matters such as our progress against our Treating Customers Fairly objectives and our conduct on matters relating to our shareholders, clients, customers, employees, suppliers and the communities in which we operate. More information on this Committee can be found in its Terms of Reference on our website.

Of course, in order to deliver our strategy, we need the right people. To this end, one of our priorities is to ensure that we have a Board and an executive management team with the appropriate skills, knowledge and experience to operate effectively in an ever challenging environment. One way of ensuring that we continue to have the right people is to have a rigorous appointment and an effective succession planning process in place for Board and key management roles. The Board Corporate Governance and Nominations Committee has a key role to play in reviewing new appointments and succession plans and during the year we specifically debated both Board composition and succession planning for Executive Committee positions.

Board composition is critical in ensuring effective and value-adding corporate governance. The debate about Board diversity and the representation of women on company boards progressed at pace in 2011 and we welcomed and supported the recommendations in Lord Davies' report into Women on Boards. However, diversity is much wider than the issue of gender: it is about ensuring that there is an appropriate range and balance of skills, experience and background on the Board. Nevertheless, while ensuring that all Directors are appointed on merit, we have set ourselves the aspirational target of ensuring that at least 20% of our Board is made up of women by the end of 2013 and for that position to have exceeded 25% by the end of 2015. We are also continuing to support initiatives to ensure that the pipeline of credible women candidates for Board positions is strengthened, including my own personal participation in the FTSE 100 Cross-Company Mentoring Programme and our sponsorship of the Cranfield Female FTSE Board Report. More details of our approach to diversity and inclusion may be found on page 26 and I report in more detail on our Board appointment process and succession planning initiatives in my report on the activities of the Board Corporate Governance and Nominations Committee on page 9.

We continue to embrace the provisions and principles of the UK Corporate Governance Code (the Code) and the rest of my report explains how we applied those principles in 2011.

Marcus Agius

Group Chairman

7 March 2012

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Leadership

What is the role of the Board?

Our principal duty, collectively, is to promote the long-term success of Barclays by creating and delivering sustainable shareholder value. We do this by setting the strategy and overseeing its implementation by management. While our ultimate focus is long-term growth, we also need to deliver on short-term objectives and we seek to ensure that management strikes the right balance between the two. We are mindful of our wider obligations and consider the impact our decisions will have on Barclays and on various stakeholders, such as our employees, our shareholders, our suppliers, the environment and our community as a whole. In setting and monitoring the execution of our strategy, we aim to ensure that we maintain an effective system of internal control and that management maintains an effective risk management and oversight process across the Group, so that growth is delivered in a controlled and sustainable way.

In order to ensure that we meet our responsibilities, specific key decisions have been reserved for approval by the Board. These include decisions on the Group s strategy, approval of risk appetite and capital and liquidity matters, Board membership, financial results and governance issues. A full formal schedule of matters specifically reserved to the Board can be found on our website, at www.barclays.com/corporategovernance.

To assist us in carrying out our functions and to ensure there is independent oversight of internal control and risk management, the Board has delegated certain responsibilities to Board Committees, which are comprised solely of independent non-executive Directors. Each Board Committee has agreed Terms of Reference, which are approved by the Board. Copies can be found on our website.

The Chairman of each Board Committee reports to the Board on the matters discussed at Board Committee meetings. You will find later in this section reports from the Chairman of each Board Committee on their activities in 2011 and their priorities for 2012.

More information on the role of the Board and its Committees in general can be found in Corporate Governance in Barclays , which is available on our website.

Board composition

The names of our Directors and their full biographical details, including the skills and experience they each bring to the Board, can be found on pages 21-23.

As Chairman, my primary responsibility is to provide leadership to the Board to ensure that we satisfy our legal and regulatory responsibilities. I set the Board s agenda in consultation with the Chief Executive and Company Secretary, taking full account of the issues and concerns of Board members and giving consideration to the need to allow adequate and sufficient time for the discussion of the items on the agenda, in particular, strategy. You can find my full role profile in our Charter of Expectations , which is available on our website. In addition to the Board, I also chair the Board Corporate Governance and Nominations Committee and the Board Citizenship Committee and I am a member of the Board Remuneration Committee. Although I am not a member of the Board Audit and Board Risk Committees, I make a point of attending a number of their meetings each year: this allows me to gain a deeper understanding of the specific issues each of those committees is discussing and also allows me to observe the committees in action and assess their effectiveness. In 2011, I attended five meetings of the Board Audit Committee and three meetings of the Board Risk Committee.

It is the responsibility of the executive Directors, Bob Diamond and Chris Lucas, to make and implement operational decisions and to run the business day-to-day within the strategy and risk appetite agreed by the Board. They are supported by the Executive Committee, which Bob chairs. Bob reports to each Board meeting on the significant matters debated at Executive Committee meetings and members of the Executive Committee regularly attend Board meetings to report on their business or area of responsibility.

The non-executive Directors are independent of management. Their role is to advise and constructively challenge management and monitor the success of management in delivering the agreed strategy within the risk appetite and control framework that is set by the Board.

Sir Richard Broadbent served as our Senior Independent Director until his retirement from the Board on 30 September 2011 and I am grateful to him for the advice and support he afforded to me in managing the business of the Board. Sir Michael Rake succeeded to the role of Senior Independent Director with effect from 1 October 2011: his significant experience as a listed company chairman, as a board member and of business in general, gained from his long career at KPMG, will prove extremely valuable. You can find the role profile for the Senior Independent Director in our Charter of Expectations.

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Corporate governance report continued

To facilitate the smooth running and effective management of our meetings at all stages, Lawrence Dickinson, our Company Secretary, supports me, the Chief Executive and the Board Committee Chairmen in setting the annual meeting agenda and ensuring that agreed actions are completed. Lawrence also works closely with senior management to ensure that there are timely and appropriate information flows within and to the Board, the Board Committees and between the Directors and senior management in general. During the year, we introduced a new secure, electronic system for the delivery of Board and Committee papers to Directors, which they can access using tablet computers, thus enabling faster information flows. More details on the role of the Company Secretary and the support provided to the Board can be found in our Charter of Expectations.

Corporate Governance in Barclays

All of our corporate governance practices have been brought together in one document, Corporate Governance in Barclays. This framework provides the basis for promoting the highest standards of corporate governance in Barclays. Corporate Governance in Barclays is available on our website at www.barclays.com/corporategovernance.

Charter of Expectations

The role profiles, responsibilities, time commitments, key competencies and behaviours we expect of our Directors, together with the key indicators of high performance, are set out in our Charter of Expectations, which was reviewed and updated during 2011 to take account of the best practice recommendations set out in the FRC s Guidance on Board Effectiveness. The Charter of Expectations is available on our website.

How does the Board operate?

We normally meet eight times a year, which includes an annual two day strategy meeting. We meet more frequently when the need arises and, in 2011, we arranged and held eight additional meetings at short notice to discuss issues such as market conditions, the interim and final reports of the ICB and significant Group developments, such as the court ruling on Payment Protection Insurance. In total, we met as a Board 16 times during the year. All Directors make every effort to attend each meeting, whether it is in person, by telephone or by video conference, unless circumstances prevent them from doing so, such as illness or prior commitments. In such instances, they are able to give to me ahead of the meeting any views or comments they may have on the matters to be discussed. I meet privately with the non-executive Directors as a group ahead of each Board meeting to take soundings on any particular matters they may wish to raise at the meeting. I also meet with the Company Secretary after each meeting to agree the actions to be followed up and to discuss how effective the meeting was.

I can confirm that each Director committed an appropriate amount of time to their Barclays duties in 2011 and the non-executive Directors met the time commitment specified in their letters of appointment. Details of Board meeting attendance in 2011 is as follows:

Board Attendance	Independent	Scheduled Meetings eligible to attend	Scheduled Meetings attended	Additional Meetings eligible to attend	Additional meetings attended
Group Chairman					
Marcus Agius	OA	8	8	8	8
Executive Directors					

Bob Diamond	ED	8	8	8	7
Chris Lucas	ED	8	8	8	8
Non-executive Directors					
David Booth	I	8	8	8	7
Sir Richard Broadbent (to 30 September 2011)	I	6	6	6	6
Alison Carnwath[a]	I	8	7	8	8
Fulvio Conti	I	8	8	8	7
Simon Fraser	I	8	8	8	7
Reuben Jeffery	I	8	8	8	7
Sir Andrew Likierman	I	8	8	8	6
Dambisa Moyo	I	8	8	8	8
Sir Michael Rake[b]	I	8	7	8	5
Sir John Sunderland	I	8	8	8	7
Secretary					
Lawrence Dickinson					

Key

OA on appointment

ED executive Director

I independent non-executive Director

Notes

a Unable to attend a scheduled meeting owing to a prior commitment.

b Unable to attend a scheduled meeting owing to illness.

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How did we discharge our responsibilities in 2011?

In 2011, ongoing difficult global economic conditions and the changing regulatory environment formed the backdrop to our decision-making process and highlighted the strategic challenges that we face. Key activities for the Board during the year included:

We undertook regular reviews of strategic options open to the Group given the developing regulatory environment in the UK and globally. Significant time was set aside for discussions on strategy, including discussion over dinner ahead of the formal Board meetings. The evening sessions have provided an opportunity for more high-level discussions and have enabled wide-ranging debate on critical issues, without the constraints of a formal meeting agenda.

We reviewed progress against our four execution priorities of Capital, Income Growth, Returns and Citizenship, including reviewing the cost reduction programme and the performance of each of our businesses against our return on equity target.

Following the publication of the ICB interim report in April 2011, and the final report published in September 2011, we met to discuss the potential implications for our overall strategy.

We received regular updates on global economic conditions and the outlook for the market. We also discussed bank sector valuations, with input from our corporate brokers.

We held a separate meeting to discuss the Project Merlin agreement and received regular reports on the Group s compliance with its commitments under the agreement.

We held a special meeting to discuss the implications of the court ruling on Payment Protection Insurance (PPI) policies and the Group s response.

We received updates from each of our principal businesses to discuss their progress against agreed strategy, plus updates on our brand and marketing strategy and investor relations strategy.

We considered the Group s liquidity (including liquidity risk appetite), the capital plan and also approved the Group s Risk Appetite for 2012.

We reviewed senior management succession plans, which identify talent in the Group at the level below the Executive Committee.

Given our significant North American operations, in 2011 we held two board meetings in New York and there are plans to hold more overseas meetings in 2012.

The chart below illustrates how we allocated our time during 2011.

What are our objectives for 2012?

We are yet to see any real signs of sustained growth in many developed economies and ongoing difficult economic, political and market conditions, coupled with the changing regulatory landscape, will form the background to our deliberations in 2012. I see the Board s focus continuing to be on:

- identifying and developing our strategic options in light of regulatory change, macroeconomic uncertainty and market conditions;

- monitoring management s progress against our four execution priorities of Capital, Returns, Income Growth and Citizenship; and

- ensuring we have stable and effective management in place by maintaining an appropriate succession plan.

Effectiveness

How do we ensure the effectiveness of our Board?

Board Size, Composition and Qualification

We have determined that the optimum Board size for Barclays is 12-15 members. We currently have 12 Directors on our Board: in addition to me as Chairman, we have two executive Directors and nine independent non-executive Directors. The size, composition and qualifications of the members of a board have a great impact on how effective that board is. We regularly review the size, composition and balance of skills we have on the Board, both in terms of what we need now and what we might need to be successful in the future. Our aim is to ensure that we have the right mix for constructive Group discussion and, ultimately, effective Board decisions.

We recognise the benefits of diversity on the Board and the current members of the Board have a wide range of skills and experience required to govern effectively a global banking business such as Barclays. There are currently two women on the Board, representing 16% of the total Board membership. We aim to increase the number of women we have on our Board to ensure that we meet the aspirational targets we have set in light of the recommendations of the Davies Review.

The balance of the Board is illustrated below.

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Corporate governance report continued

Director Independence

We consider non-executive Director independence on an annual basis, as part of each Director s performance evaluation. I was considered to be independent on appointment as Chairman, as recommended by the Code. The Board Corporate Governance and Nominations Committee and the Board has reviewed the independence of each non-executive Director and concluded that each of them continues to demonstrate those behaviours that the Board considers to be essential indicators of independence, which are set out in our Charter of Expectations.

Director Re-election

The Code requires that all Directors submit themselves for re-election at the Company s Annual General Meeting (AGM), which this year will be held on 27 April 2012. Following a rigorous performance evaluation of each Director and the Board as a whole, I can confirm that all the Directors submitting themselves for re-election are considered by the Board to be fully effective. Biographical details of each of the Directors may be found on pages 21-23 and you will find full details of the performance evaluation process and results in my report on Board evaluation on page 8.

Succession Planning and Board Appointments

Having a good succession plan in place mitigates against risks associated with the departure or absence of well-qualified and experienced individuals. We recognise this and our aim is to ensure that the Board and management are always well resourced, with the right people in terms of skills and experience, to deliver our strategy. When making Board appointments, we seek to ensure that we have a diverse range of skills, background and experience, including industry and geographical experience. We also recognise that, even though new faces bring fresh ideas and perspective to how things are done, continued tenure brings a depth of company-specific knowledge that is important to retain. As a result, we consider length of tenure when making appointments to the Board to ensure that we have the optimum balance and can progressively refresh the Board. The length of tenure of the current non-executive Directors and their geographical experience and background is illustrated in the charts on page 7 and below.

The Board Corporate Governance and Nominations Committee is responsible for both executive and non-executive Director succession planning and recommends new appointments to the Board. More detail on the role of the Board Corporate Governance and Nominations Committee is given in my report below.

Non-executive Director Terms of Appointment

On appointment, our non-executive Directors are given a letter of appointment that sets out the terms and conditions of their Directorship, including the fees payable and the expected time commitment. Each non-executive Director is expected to commit a minimum of 20 days per annum to the role. Additional time commitment is required to fulfil their roles as Board Committee members and/or Board Committee chairmen, as applicable. On average, the time commitment of non-executive Directors is in the range of 30 36 days per annum, although the Board Committee Chairmen devote considerably more time.

Directors external activities and conflicts of interest

Our Directors have a statutory duty to avoid situations in which they have or may have interests that conflict with those of Barclays, unless that conflict is first authorised by the Directors. This includes potential conflicts that may arise when a Director takes up a position with another company.

We recognise the importance of the experience, value and knowledge that can be brought to the Board by Directors undertaking other roles or activities. Our Directors are obliged to obtain authorisation prior to doing so and it is their responsibility to ensure that they will be able to meet the time commitment we expect of them and that the additional role will not impact their effectiveness as a Barclays Director.

Our executive Directors may take up only one FTSE 100 non-executive directorship and they are allowed to retain any fees they receive. No such fees were received in 2011.

Our articles of association allow the Board to authorise potential conflicts, and we have a comprehensive procedure in place to deal with any actual or potential conflict of interest. The Board takes into consideration all the circumstances and deals with each appointment on its individual merit. All potential conflicts approved by the Board are recorded in an Interests Register, which is reviewed on an annual basis by the Board Corporate Governance and Nominations Committee to ensure that the procedure and process are working effectively. Following a review of the Interests Register, the Committee concluded that all the potential conflicts as registered have been considered thoroughly and appropriately. During 2011, the Board authorised Sir Richard Broadbent s appointment as a non-executive Director of Tesco PLC, recognising that there would only be a short overlap given his impending retirement from the Board. In view of the potential conflict that might arise given Tesco s retail banking activities, following this appointment Sir Richard excused himself from any Board discussions relating to our UK Retail Banking business.

Board Induction and Professional Development

Although newly appointed non-executive Directors have a wealth of experience and knowledge, there is still the need to ensure they are provided with a bespoke induction programme to deepen their understanding of our business and their knowledge of Barclays, its operations and staff. I work with the Company Secretary to ensure that a comprehensive induction programme is in place, which includes sessions with each of the executive Directors, members of the Executive Committee and meetings with the senior executives responsible for each of our businesses and central functions: these sessions focus on the challenges, opportunities and risks that are faced by each business. The Board Corporate Governance and Nominations Committee undertakes an annual review of our Director induction and development programmes to ensure that they are appropriate and fit for purpose. More information on our Board induction process can be found in Corporate Governance in Barclays.

Notes

a Individual Directors may fall into one or more categories.

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Ongoing professional development is equally important given the rapidly changing environment in which we operate and my role includes ensuring that Directors have the opportunity to update and refresh their knowledge. During the year, non-executive Directors attended briefing sessions on balance sheet composition and capital allocation and on risk weighted assets. They also attended a demonstration of our contactless technology. Personal development logs are maintained for each non-executive Director, which record external and internal briefings and other events that each attends, such as internal management conferences.

Evaluation of Board Performance

In order to improve the effectiveness of the Board and its Committees, as well as the effectiveness of each individual Director, we undertake on an annual basis a formal and rigorous Board effectiveness review. One of the advantages of undertaking an annual evaluation, which we have done since 2004, is that we can monitor trends in responses to questions and track progress made against action plans. We annually benchmark our approach against the practices of other companies in the FTSE 20 to ensure that we remain at the forefront of best practice. The Board Corporate Governance and Nominations Committee is responsible for overseeing the process and for monitoring any action plans on behalf of the Board.

Evaluation Statement

I provide below a summary of the Board s progress against its 2011 action plan:

Key Themes	Actions
Ensuring that Board dynamics remain effective following recent membership changes, including the appointment of the new Chief Executive	Effective working relationships have been developed and maintained between the non-executive Directors and the Executive Directors, facilitated by opportunities offered by offsite Board meetings and less formal discussions at Board dinners ahead of meetings.
Continuing the focus on strategic decision making in light of the evolving regulatory environment	The Board has continued to receive regular updates on the regulatory environment. Strategy presentations to the Board have included additional information on the external environment and its impact. External guest speakers have presented to the Board on significant issues, such as the valuation of banks.
Ensuring that a wide range of skills experience, background and diversity on the Board is maintained	Succession planning is a major focus of the Board and the Board Corporate Governance and Nominations Committee considers diversity on the Board when discussing succession plans and potential new appointments.

Revising the format of Board meetings to allow the Board to devote more time to discussion of key strategic issues, including discussions the evening before Board meetings

Board dinners are being held on evenings prior to Board meetings to enable Directors to discuss issues in more depth and build relationships. The Board dinners have included presentations and time for discussion of key issues. Routine Board items are being dealt with appropriately, including inverting the agenda, if appropriate, so that routine items are considered last.

As in each year since 2004, the 2011 evaluation process was independently facilitated. We continue to monitor and review the facilitators available in the market and Egon Zehnder International was re-engaged following such review. Egon Zehnder is an executive search agent, but it did not undertake any Barclays Board searches during the year and the Board continues to believe that it provides an impartial and objective service.

The 2011 evaluation process again took the form of questionnaires completed by Directors and key executives, followed by structured interviews with representatives from Egon Zehnder. In addition to the Board evaluation questionnaire completed by all the participants, Board Committee members completed separate Board Committee questionnaires. The areas covered by the questionnaire were unchanged from previous years, although this year the questionnaire included some new questions designed to draw out behavioural issues and group dynamics.

In December 2011, Egon Zehnder presented a report on the evaluation process to the Board. We discussed the results of the evaluation and confirmed that we continue to operate at a very high level of effectiveness. The review identified that the Board is aligned in its understanding of the strategic challenges it faces in a highly regulated and uncertain economic environment; that it continues to work hard and effectively as a team; and that it has demonstrated a high degree of resilience over a significant period of uncertainty for the financial services industry. The review also concluded that the Board benchmarked well against other companies.

The key themes arising from the 2011 evaluation and which will form the basis of the action plan for 2012 are:

Ensuring that the Board continues to have an appropriate range and balance of skills, experience and diversity.

Continuing to develop an appropriate process for succession planning for key Board and senior executive management positions.

Enabling the Board to have greater interaction with Executive Committee members to gain an enhanced understanding of the challenges and opportunities they face in their businesses.

Ensuring that the Board has visibility of talent amongst senior executive management.

Continuing to ensure that timely and high-quality information flows to the Board and to Board Committees.

As part of the annual evaluation process, we seek views on the performance of individual Directors. I have discussed this feedback with each of the non-executive Directors and agreed with them any areas for development. My own performance was reviewed by the Senior Independent Director, who sought the views of the other non-executive Directors.

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Corporate governance report continued

Board Corporate Governance and Nominations Committee Report

As Chairman of the Board Corporate Governance and Nominations Committee, I report on the Committee s activities in 2011.

Member	Independent	Meetings eligible to attend	Meetings attended
Marcus Agius (Chairman)	OA	4	4
David Booth	I	4	4
Sir Richard Broadbent (resigned 30 Sept 2011)	I	3	3
Alison Carnwath (appointed 1 July 2011)	I	1	1
Sir Michael Rake[a]	I	4	3
Sir John Sunderland	I	4	4

Secretary

Lawrence Dickinson

Key

OA on appointment

I independent

Chairman s Overview of 2011

Following the appointment of a new Chief Executive at the beginning of the year, the focus and attention of the Committee in 2011 was on the need to have a strengthened and effective succession planning process in place for the Board and other senior executive roles. In addition, this year we have given particular thought to the issue of diversity, given the recommendations of the Davies Review on the gender diversity of Boards.

Who is on the Committee?

The Committee consists of me, as Chairman, along with four non-executive Directors. The names of the members of the Committee are shown in the table, together with attendance at meetings in 2011. Committee members include the Chairmen of the main Board Committees. Bob Diamond, the Chief Executive, also attends each meeting, although he is not involved in decisions relating to his own succession.

What is our role and what are our responsibilities?

Our role is to:

review the composition of the Board and Board Committees to ensure they are appropriately constituted and balanced in terms of skills and experience and to recommend to the Board the appointment of new Directors;

consider succession plans for the Group Chairman, Chief Executive and other key positions, such as roles on the Executive Committee and other senior management roles;

a unable to attend a meeting owing to illness

monitor corporate governance issues and developments; and

agree the process for the annual Board Effectiveness Review and track the progress of any actions arising.

The Committee s full Terms of Reference are available from our website.

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Board Corporate Governance and Nominations Committee Report continued

How did we discharge our responsibilities in 2011?

We met four times in 2011 and the chart below shows how we allocated our time at our meetings. I describe below how we discharged our responsibilities:

Board Composition

We reviewed the structure, size and composition of the Board and the principal Board Committees, looking at the need to refresh the Board, the balance and diversity of skills and experience on the Board and planning ahead for any retirements. We undertook a skills analysis and considered the skills that are likely to be required in the future.

We considered and recommended changes to Board Committee composition during the year. Given the retirement of Sir Richard Broadbent from the Board on 30 September 2011, the Committee approved the appointment of Alison Carnwath as Chairman of the Board Remuneration Committee. Alison is an experienced remuneration committee chairman and her knowledge of the investment banking industry will prove valuable given the regulatory focus on remuneration in that business. Alison also joined the Board Corporate Governance and Nominations Committee.

We discussed the outcome of the Davies Review on the proportion of women on boards and the implications for Barclays generally. We recommended an aspirational target for the Board to have at least 20% of its membership as women by 2013 and for that position to have exceeded 25% by 2015. To meet this aspirational target, we discussed and agreed steps to identify potential women candidates for the Board by working with our executive search agents.

Succession Planning

In 2011, we assumed responsibility for oversight of the Group s succession and talent management programme below Board level. We discussed the

Board Effectiveness

We discussed and approved the proposed actions to be taken in response to the findings of the 2010 Board Effectiveness Review.

We reviewed the market for board effectiveness facilitators and agreed to re-appoint Egon Zehnder.

How effective was the Committee in 2011?

To ensure that the Committee is operating effectively, we carried out our annual committee effectiveness review as part of the Board Effectiveness Review. The Committee is reviewed by the members themselves as well as by the Board as a whole. Following the review, the Committee was found to be operating effectively. However, we concluded that the performance of the Committee could be enhanced by making improvements to the induction process for new Committee members and providing greater opportunity for members to bring items onto the Committee meeting agenda. An action plan has been put in place to address these matters.

What is the Committee planning to do in 2012?

For 2012, we will further improve our awareness of succession planning and have greater visibility of potential candidates for senior positions below the Executive Committee level. We will continue to review and monitor Board and Board Committee composition against our skills and experience requirements and our aspirational diversity targets and continue to consider potential candidates.

Marcus Agius

processes, methodology and contingency plans in place for senior strategic roles. We discussed succession planning for the position of Chief Executive and for the Executive Committee and reviewed potential candidates for these roles.

Chairman, Board Corporate Governance

and Nominations Committee

Corporate Governance

We reviewed our corporate governance disclosures in the 2010 annual report and considered the proposed disclosures for the 2011 annual report.

We reviewed and updated Corporate Governance in Barclays and the Charter of Expectations to ensure they continue to remain relevant and fit for purpose, particularly given publication of the Financial Reporting Council's Guidance on Board Effectiveness.

We were updated on significant corporate governance developments in the UK and those emanating from the European Commission and how these might impact the Group.

We reviewed and discussed issues raised at corporate governance meetings held with institutional investors and investor bodies.

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Corporate governance report continued

Accountability

Sir Michael Rake, Chairman of the Board Audit Committee, gives his personal view of the Board Audit Committee s activities during 2011.

Board Audit Committee Chairman s Report

Member	Independent	Meetings eligible to attend	Meetings attended
Sir Michael Rake (Chairman)	I	12	12
Alison Carnwath[a]	I	12	9
Fulvio Conti[a]	I	12	11
Simon Fraser	I	12	12
Sir Andrew Likierman	I	12	12

Secretary
Lawrence Dickinson

Key

OA on appointment

I independent

a unable to attend certain meetings owing to prior commitments.

Chairman s overview of 2011

The Board Audit Committee has seen another extremely busy year, with its agenda shaped by both external and internal factors. Continuing economic uncertainty and, in particular, the situation in the Eurozone, influenced our areas

Who is on the Committee?

Membership of the Committee and attendance at meetings held in 2011 are shown in the table. Sir Andrew Likierman and I are the designated financial experts on the Committee for the purposes of the US Sarbanes-Oxley Act, although each member of the Committee has a depth of financial expertise and collectively, the Committee has considerable financial and financial services experience on which to draw. Having worked at KPMG throughout my career until 2007, I have significant experience of accounting and auditing issues from a UK and global perspective. Sir Andrew is currently Chairman of the National Audit Office and is also Dean of the London Business School, following a career at HM Treasury. Fulvio Conti has many years of financial and accounting experience and his knowledge and experience of the economic and political situation in the Eurozone has proved particularly valuable to our deliberations at both Committee and Board level. Alison Carnwath brings many years of experience of both the financial services sector and corporate finance from her career at Schroders. Simon Fraser has a background in financial services and, as a fund manager, brings insight and perspective as a user of financial statements.

This year, I asked some members of the Committee to take on particular additional responsibilities. Simon Fraser has been engaged with management on the Group s approach to Treating Customers Fairly. Sir Andrew Likierman has been more closely involved in monitoring the Group s internal control framework, working with management to review control issues of Group level significance.

The Committee members meet privately with me ahead of each Committee meeting, which gives me the opportunity to learn of and understand any particular issues that individual members may wish to raise during Committee meetings.

of focus. Furthermore, the aftermath of the 2008 financial crisis has seen our regulators adopt what they describe as a more intensive and intrusive approach to supervision, and this changing regulatory environment has shaped our discussions around internal controls, regulatory compliance and financial reporting.

This year I have visited the Group s operations in Spain and New York, attending meetings of the local subsidiary audit committees. I met regularly with the Chief Internal Auditor during 2011 and have been actively engaged in the recruitment of the new Chief Internal Auditor, who took up post in January 2012. I also regularly interact with the lead audit partner of our external auditors. I have this year met a number of times with representatives of our regulators in both the UK and the US to discuss our approach to internal controls, regulatory compliance and specific financial reporting matters, including a tri-lateral meeting with our UK regulator and our auditor. After each Committee meeting, I present a written report to the Board of the main issues that the Committee discussed and I am available should any Director wish to discuss any particular issues with me in more detail.

There are some areas of potential overlap between the Committee s remit and that of the Board Risk Committee, of which I am also a member. Via the Company Secretary, I have sought to ensure that those areas of overlap, such as the risks and controls associated with our capital and liquidity positions, are managed appropriately, with each Committee viewing the issues through its particular lens.

What are our responsibilities?

In summary, the Committee s role is to:

monitor the integrity of the Group s financial reporting and satisfy itself that any significant financial judgements made by management are sound;

monitor the Group s internal controls, including internal financial controls; and

monitor and review the activities and performance of the internal and external auditor, including monitoring their independence and objectivity.

The Committee s full Terms of Reference are available from the corporate governance section of our website.

How did we discharge our responsibilities in 2011?

We met 12 times in 2011 and the chart on page 13 shows how we allocated our time. Our meetings are attended by management, including the Chief Executive, Group Finance Director, Chief Internal Auditor, Chief Risk Officer, Group General Counsel and Head of Compliance. This year we have been particularly interested in interacting with senior management below the Board and Executive Committee level and meetings have been attended by the chief executives of the business units, along with representatives of the control functions at both Group and business unit level.

The external auditor attends each meeting and the Committee also holds regular private sessions with the Chief Internal Auditor and the external auditor. These sessions, which are not attended by management, allow us to discuss any issues of emerging concern in more detail directly with the audit teams.

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Board Audit Committee Chairman s Report continued

I describe below the key issues we considered during 2011:

Financial Reporting and Significant Financial Judgements

Given continuing global economic uncertainty and market concerns over the financial health of the sector, our role in monitoring significant financial reporting issues is key in ensuring that trust in the financial services sector and Barclays is maintained. We seek support from the external auditor to assess whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements. The main issues we reviewed in 2011 are set out below:

We regularly reviewed the Group s investment in BlackRock, Inc. and whether it should be impaired. Key in our decision-making was whether the diminution in value could be considered to be significant or prolonged. We closely monitored the BlackRock, Inc. share price throughout the year and agreed with management s conclusion at the time of our third quarter interim management statement that the decline in value was such that the investment should be impaired. The impairment has been recognised in the full year results for 2011.

We monitored the goodwill held for our business in Spain throughout 2011. We agreed with management s assessment that the goodwill associated with our business in Spain should be written off during the fourth quarter.

The credit impairment charge during 2011 was significantly better than prior year across each of the businesses. We examined the impairment charge carefully to satisfy ourselves that this was appropriate.

Management decided in late 2010 that it no longer intended to hold the Protium loan for the long term given its low return on regulatory capital. Consequently, and as part of finalising the year-end 2010 results, we agreed with management s recommendation that the value of the loan should be reduced to the fair value of the underlying assets. This resulted in an impairment charge for the year ended 31 December 2010. During the second quarter of 2011, management decided to restructure the loan and the proposal to purchase the outstanding financial interest in Protium in order to facilitate earlier repayment of the loan was agreed by Board Finance Committee (a specifically authorised sub-committee of the Board). This resulted in Barclays controlling Protium s operating and financial policies and consolidating Protium. The Committee agreed with the accounting treatment.

Given the continuing economic and political uncertainty in the Eurozone, we reviewed both our exposures to the selected Eurozone countries of Ireland, Italy, Portugal, Spain and Greece and the form of our disclosure of these exposures in our financial reporting during 2011. Our exposures have been reduced during 2011.

We considered the impact of own credit and other one-off items that could be treated as adjusting items to the adjusted Profit Before Tax measure and worked with management to ensure that equal prominence was given to both the statutory and adjusted results.

As part of reviewing the results for 2011, we considered the recognition and valuation of deferred tax assets in the US and Spain and agreed with management s judgement that the deferred tax assets were appropriately supported by the forecasted profit. We also considered the appropriateness of tax risk provisions made.

We also reviewed the appropriateness of the judgements made by management in valuing certain portfolios and asset classes and were satisfied that these judgements were appropriate.

Following the dismissal in May 2011 of judicial review proceedings brought by the British Bankers Association in relation to the assessment and redress of Payment Protection Insurance (PPI) claims, we reviewed management s assumptions in arriving at a provision of £1bn against future redress and administration of PPI claims. We were content that the provision was adequate, although it will be considered further against actual claims experience.

We reviewed the year-end and half year disclosures in respect of legal proceedings and competition and regulatory matters, particularly in the light of developments in the Lehman litigation.

Internal control

Our role is to review the effectiveness of the Group s internal controls, which is of particular resonance at a time when the business is subject to significant change. We do this by receiving specific control environment reviews from each of the businesses, by reviewing reports on control issues of Group level significance, by looking in detail at specific control issues and by receiving regular reports on regulatory compliance matters. Specific issues we considered in 2011 are described below:

We undertook control environment reviews of Barclaycard, Barclays Africa, Barclays Capital, Europe Retail and Business Banking, Absa, Barclays Corporate and Barclays Wealth. We reviewed carefully the control environment in Barclays Capital given the pressures on the business from both market conditions and heightened regulatory scrutiny. We particularly wanted to ensure that the control environment is robust and well-documented and that control functions are adequately resourced. Specific areas of focus for the Committee have been the trading and valuation models used by Barclays Capital, and the governance that provides assurance around them. Furthermore, following the report of unauthorised trading at UBS, we received a report on a review of the controls in place at Barclays Capital to ensure that they are designed effectively to prevent the occurrence of a similar incident.

We continued to monitor the controls and governance around technology, in particular, the progress of a programme implemented to put in place specific control enhancements that had been identified. We also received a report on cyber security and the steps the Group has taken to mitigate the risk of cyber attacks.

We reviewed the programme that has been put in place to ensure that the Group complies with the UK Bribery Act, which came into force in July 2011.

During the year we tracked the actions that had been agreed to ensure compliance with the Deferred Prosecution Agreements entered into as part of the settlement reached with US authorities following an investigation into the Group s compliance with US sanctions and US dollar payment practices. This included reviewing whether the actions are on track and monitoring the resources allocated to ensuring that the programme is delivered.

The FSA imposed a fine on Barclays Capital in January 2011 for breaches of client asset segregation rules. We regularly reviewed the remediation programme that was put in place to enhance the Group s processes and minimise the risk of reoccurrence.

Following a fine for failures associated with the sales of two investment funds, we reviewed the outputs of an independent third party review and the progress of actions taken to review similar products.

We received regular reports on the arrangements that the Group has in place to enable employees to raise concerns and were updated on action being taken to address any specific matters.

You can find further details of the Group s system of internal control and risk management, including the main features of our internal control and risk management systems in relation to the financial reporting process, in the Directors Report on page 19 and in the Risk Management section on pages 40 to 127.

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Corporate governance report continued

Board Audit Committee Chairman s Report continued

Objectivity and independence of the external auditor

One of our key responsibilities is to monitor and review the objectivity and independence of our external auditor. This includes having in place a policy to govern the non-audit services that may be provided by the external auditor, which sets out the circumstances in which the external auditor may be permitted to undertake non-audit services. Allowable services are pre-approved up to £100,000, or £25,000 in the case of certain taxation services. Any non-audit service that exceeds these thresholds requires approval from me as Chairman of the Committee and must be robustly justified and, if appropriate, tendered, before it is approved. I closely review all requests for approval, particularly any which concern taxation-related services, and specifically tax advisory services, where our approach is not to use the auditor unless there is a very strong case for not seeking an alternative supplier. The Committee receives a quarterly report on non-audit services undertaken by the auditor so that it can monitor the types of services being provided and the fees incurred.

A breakdown of the fees paid to the auditor for non-audit work may be found in note 8 on page 184. Significant categories of engagement undertaken in 2011 include regulatory audit work, where the work was requested by our regulators in the UK and in South Africa and the use of the auditor was agreed with them, and tax compliance services in connection with our expatriate and international assignees, where we have agreed to use an alternative supplier from 2011 onwards for new assignments.

Further details of the non-audit services that are prohibited and allowed under our policy can be found on page 261.

Oversight of Internal Audit and External Audit

Internal Audit

We are responsible for monitoring the effectiveness of the internal audit function and ensuring it is adequately resourced and focused on the right issues. We also review and approve the annual Internal Audit plan.

During 2011, we received regular reports from Internal Audit, which set out the Internal Audit function s view of the control environment and performance against any key indicators. Of particular focus was the need to ensure that there is timely remediation of any audit findings. We also specifically reviewed the resources available to the Internal Audit function and any adjustments to be made to the Internal Audit plan, including changes to methodology.

Internal Audit s self-assessment of conformance, which we reviewed in the fourth quarter of 2011, evidenced that the function generally conforms to the standards set by the Institute of Internal Auditors.

External Audit

It is our responsibility to monitor the performance, objectivity and independence of the external auditor and recommend to the Board the appointment of the external auditor. We also agree the audit plan with the external auditor to ensure that the areas of focus are appropriate.

PricewaterhouseCoopers (PwC) has been our auditor for many years, although the lead audit partner is rotated every five years. The current lead audit partner joined the audit team for the 2010 year end and will retire after the 2014 year end. The appointment of PwC as auditor is subject to shareholder approval each year at the AGM, giving shareholders the opportunity to accept or reject the Board s recommendation that they be reappointed. In terms of auditor independence and objectivity, we have a policy that governs non-audit services provided by the auditor, which is described above. PwC also provides specific assurance to us on the arrangements it has in place

to uphold its independence and objectivity. To assess the performance and effectiveness of the auditor, we carry out an annual assessment by seeking views on PwC s performance from key stakeholders across the Group. The results of this assessment are reported to the Committee each year and help inform the Committee s discussion on whether the auditor should be recommended for re-appointment. This includes considering whether the audit should be tendered.

Following the assessment process described above, the Committee is fully satisfied with the performance of PwC and has recommended to the Board and to shareholders that PwC should be re-appointed as the Group s auditors at the AGM on 27 April 2012. PwC has signified its willingness to continue in office.

Effectiveness

The performance of the Committee is reviewed each year as part of the Board Effectiveness Review, both by the Committee itself and by the Board as a whole. This year s review concluded that the Committee continues to operate effectively. Areas where we could enhance our performance include ensuring that the form and content of information presented to the Committee is appropriate given the Committee s busy agenda and we have put together an action plan to address the findings.

Looking ahead to 2012

For 2012, the Committee s areas of focus will continue to be influenced by the impact of the difficult economic environment and the changing regulatory environment. In addition to ensuring we examine the impact of external factors, we will be seeking to ensure that a strong governance and control environment is maintained while the business undergoes a period of internal reorganisation as it integrates the operations of Absa and Barclays in Africa and seeks to deliver cost efficiencies and operational excellence across the Group.

Sir Michael Rake

Chairman, Board Audit Committee

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David Booth, Chairman of the Board Risk Committee, gives you his insight into the work of that Committee in 2011.

Board Risk Committee Chairman s report

Member	Independent	Meetings eligible to attend	Meetings attended
David Booth (Chairman)	I	9	9
Reuben Jeffery[a]	I	9	8
Sir Andrew Likierman[a]	I	9	8
Dambisa Moyo[a]	I	9	7
Sir Michael Rake[a]	I	9	7

Secretary
Lawrence Dickinson

Key

OA on appointment

I independent
a unable to attend certain meetings either because of illness or prior commitments

Chairman s overview of 2011

2011 has seen some particular challenges for the Committee in its oversight of risk management. Global economic conditions have continued to be difficult. Concerns over the economic prospects for the Eurozone, specific countries within it and the possibility of a break up, have greatly influenced our agenda. The regulatory environment has also evolved, as our regulators continue to seek assurance as to the robustness of risk management and the financial viability of financial institutions in a stressed environment.

Understanding, monitoring and mitigating risk is a fundamental task for any board. We play a critical role in setting the tone and culture that promotes the achievement of effective risk management across the Group. It is important to differentiate, however, between those risks that a company actively seeks to take and manage in order to generate income for Barclays, credit, market and funding risk and those risks that it seeks to minimise in order to manage costs what we know as operational risk. The Committee s principal focus is on the former those risks we take in order to generate income although we also consider the latter. This year, as Chairman of the Committee, I have sought to refocus the Committee s agenda on key strategic, forward looking risk issues. I have worked with the Chief Risk Officer and Company Secretary to ensure that the Committee s time is used appropriately and that the right information is being provided to the Committee at the right time. I have continued to meet regularly with the Chief Risk Officer, and also with the Group Treasurer and Chief Internal Auditor, to discuss any emerging issues. This year I have also had a number of meetings with representatives of our regulators in the UK and the US to discuss our approach to risk management, and I expect this increased level of interaction to continue in the future. I present written reports to the Board of the main issues that the Committee discusses and any Director may contact me at any time to discuss any particular issues in more detail.

Who is on the Committee?

Membership of the Committee and attendance at meetings held in 2011 are shown in the table. Collectively the Committee has a depth of experience in finance and financial risk management. Both Reuben Jeffery and I have a background in investment banking, with careers at Goldman Sachs and Morgan Stanley respectively. Sir Michael Rake is the former Chairman of KPMG International and has a wealth of financial and business experience. Sir Andrew Likierman has held number of roles in the public financial services sector, including roles at HM Treasury and that of non-executive Director of the Bank of England. Dambisa Moyo is an international economist, who writes on the macroeconomy, having formerly worked at Goldman Sachs.

What are our responsibilities?

The Committee s role is to:

- recommend to the Board the total level of risk the Group is prepared to take (risk appetite) to achieve the generation of shareholder value;
- monitor risk appetite, including setting limits for individual types of risk, e.g., credit, market and funding risk;
- monitor the Group s risk profile;
- ensure that management properly identifies principal risks and that they are being appropriately managed;
- ensure that risk is taken into account during the due diligence phase of any strategic transaction; and
- provide input from a risk perspective into the deliberations of the Board Remuneration Committee.

The Committee s full Terms of Reference are available from the corporate governance section of our website. More information on risk management and the internal control framework can be found in the Directors Report on page 19 and in the Risk Management section on pages 40 to 127.

How did we discharge our responsibilities in 2011?

We met 9 times in 2011 and the chart on page 44 shows how we allocated our time at our meetings. Our meetings are attended by management, including the Group Finance Director, Chief Internal Auditor, Chief Risk Officer and Group General Counsel. The external auditor also attends each meeting. This year meetings have also been attended by senior management below Board and Executive Committee level, including representatives of the risk management function at both Group and business unit level. We have been especially interested in hearing from those who are responsible at an operational level for implementing risk management in the Group.

I describe below how the Committee discharged its responsibilities during 2011:

Risk Profile/Risk Appetite

Our role is to recommend risk appetite to the Board and then to monitor performance against appetite and the Group s overall risk profile. The main issues we reviewed in 2011 were:

- We received quarterly Group Risk Profile Reports, which provide an update on credit and market risk performance in our main businesses and across our key geographies of the UK, US, Spain and South Africa. The focus of our discussions was on the potential impact of macroeconomic factors, particularly the Eurozone crisis and any impact arising from austerity measures being taken by governments around the world. In late 2011, this report was extended to cover Operational Risk in more detail, in line with the changes made to the Group s Principal Risks Policy, which I describe below.

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Corporate governance report continued

Board Risk Committee Chairman s report continued

We received quarterly updates on capital and liquidity from the Group Treasurer, including an assessment of performance against liquidity risk appetite and an assessment of the Group s liquidity profile, to satisfy ourselves that sufficient liquidity is held to cover both market-wide and Barclays specific stress scenarios. The Eurozone crisis gave rise to difficult conditions in the money markets and we discussed and received regular written updates on counterparty and liquidity risk in the third and fourth quarters of 2011.

We discussed and agreed scenarios for our internal stress testing exercises and reviewed the results. As part of planning for the stress tests, the Committee specifically requested that a single European peripheral sovereign default be modelled given prevailing conditions in the Eurozone. The stress testing exercises evidenced that the Group remains profitable and well-capitalised above required minimum levels. We also reviewed the results of the stress testing exercises required by the European Banking Authority (EBA), which were published in July 2011. The results of these EBA stress tests showed that Barclays remains capitalised above the required regulatory targets for Core Tier 1 capital.

We reviewed the Group s economic capital framework, including the governance around the models used, methodology changes introduced in 2011 and how the framework is used to assist risk management across the Group.

In late 2011, we reviewed the proposed risk appetite for 2012. The risk appetite process again assessed the Group s performance in a 1 in 7 and 1 in 25 scenario and reviewed the performance of agreed parameters in such scenarios to identify any potential constraints. While we were content to recommend risk appetite to the Board, current economic conditions mean that there is a greater likelihood of event risk and we will keep performance against risk appetite under very close review in 2012.

Key Risk Issues

Key risk issues are those that have been proposed by management for review by the Committee in detail, so that we can assess the current and potential future impact and ensure that any risks are being managed appropriately. These in-depth reviews have this year been driven largely by the changing economic and regulatory environment. Some of the specific issues we considered in 2011 were:

Given the ongoing difficulties in the Eurozone, we undertook two specific country risk reviews in 2011, choosing Portugal and Italy. These reviews took a holistic approach to Barclays business in those countries, focusing on both macro risks and specific business risks, and an assessment of any potential issues those businesses might face in a stressed environment. We were particularly keen to ensure that any lessons learned from these reviews are embedded Group-wide. We also received a presentation on the implications of a break-up of the Eurozone and the actions available to mitigate the impact on the Group.

We undertook a review of our funding and liquidity risk management framework, particularly given the disruption in the wholesale money markets during the year.

We received a report on the review of risk management controls that took place following the announcement of unauthorised trading at UBS to ensure that any lessons learned could be captured.

We reviewed measures that are being taken in Barclays Capital to enhance risk management and to further develop the vision for risk in that business.

Given US government austerity measures, we reviewed the Group s US Municipal bond business and the scope and extent of our exposures.

We also reviewed pension risk, in view of the triennial valuation of the pension scheme, and tax risk management, where we considered the Group s own tax risk and the risk it takes on behalf of clients.

Internal Control and Risk Management Framework

We annually review the internal control and risk management framework to ensure it remains fit for purpose. This year we reviewed and agreed proposals to update the Group s Internal Control and Assurance Framework (GICAF) and agreed updates to the Group s Principal Risks Policy, to define four principal risks: Credit, Market, Funding and Operational Risk. More details on the GICAF and the Principal Risks Policy can be found in the Directors Report on page 19 and in the Risk Management section on pages 40 to 131.

Remuneration

We again provided input to the Board Remuneration Committee on the risk metrics to be used to determine financial performance and we reviewed the risk perspective on performance, which was used to inform remuneration decisions for 2011.

Effectiveness

As part of the annual Board Effectiveness Review, the performance of the Committee is assessed by the Committee itself and by the Board as a whole. This year s review concluded that the Committee continues to operate effectively. Areas where we could enhance our performance include continuing to ensure that information flows to the Committee are appropriate and timely, given the changing environment.

Looking ahead to 2012

For 2012, global macroeconomic factors will continue to shape the Committee s agenda. We will continue to closely monitor our risk profile and performance against risk appetite, with a particular focus on capital and liquidity. We will also continue to monitor carefully our Eurozone exposures.

David Booth

Chairman, Board Risk Committee

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Remuneration

Alison Carnwath, who became Chairman of the Remuneration Committee in 2011, reports on the Board Remuneration Committee s activities during 2011 in the Remuneration Report, which may be found on pages 27 to 39.

Relations with Shareholders

How do we ensure that we understand the views of our shareholders?

As Group Chairman, I am responsible for ensuring that there is effective communication with shareholders. I am in regular contact with institutional shareholders and, in particular, I met with institutional shareholders ahead of the 2011AGM and reported back to the Board on any significant issues that were raised. The Chief Executive, Group Finance Director and Senior Independent Director also had regular contact with shareholders and the Chairman of the Board Remuneration Committee met with key shareholders to discuss the Group s remuneration structure and policy. In addition, all Directors had the opportunity to attend an investor seminar, which was held in June 2011.

During 2011, the Board received an update on the Group s Investor Relations strategy, which included an update on key market issues raised by our owners, investor relations objectives and activities, share price performance and the share register profile. We also received the results of an investor audit carried out by one of our advisers, which provided an insight into market issues and institutional perceptions of our strategy, management and key issues. In late 2011, the Board also held a session on bank sector valuations, gaining an insight into how the market values banks and the factors influencing the market s valuation.

How do we engage effectively with our shareholders?

We understand the need to be transparent in our dialogue and communications with our shareholders. We are supportive of the UK Stewardship Code s aims of improving dialogue between investors and companies and strive to facilitate meaningful engagement with our shareholders. Our interaction with our shareholders falls into three main areas: institutional shareholders, private shareholders and the AGM. General shareholder information can be found on our website, www.barclays.com/investorrelations.

Institutional Shareholders

We have an active and dedicated investor relations team that manages a planned and comprehensive investor relations programme, which facilitates regular access for investors and buy-side and sell-side analysts to senior management, so that they can interact directly on key topics. Overall in 2011, over 400 separate meetings took place between management and investors, at venues in London, Scotland, USA, Canada, France, Germany, Spain, Ireland, Italy, Scandinavia, Switzerland, the Netherlands, the Middle East, Japan and China, reflecting the international nature of our investor register. Senior management from across the business also hosted investor and analyst meetings during 2011 including our quarterly reporting presentations and an investor seminar in June 2011. In addition to direct meetings, Barclays also participates in investor conferences intended to provide wider access to investors and analysts and took part in 17 such conferences in 2011. Our website also provides information for our debt investors, including information on our credit ratings, capital ratios, senior and subordinated debt securities, and securitisation and covered bond transactions.

Private Shareholders

As we have a large private shareholder base, it is impractical to communicate with our private shareholders using the same direct engagement model we follow for our institutional shareholders. Nevertheless, as we understand the need to treat all shareholders fairly, we follow industry best practice in terms of disclosure. To this end, we ensure that all documents produced for investor events are also provided on the investor relations section of our website. A wide range of information for all our shareholders can also be found on the site. We also maintain a specific shareholder enquiry line with our registrars

for private shareholders to request information. To ensure our registrars continue to provide the highest quality of service to our shareholders, we regularly monitor their operational performance via monthly meetings.

We believe that communicating electronically with our shareholders is beneficial for the environment and lowers costs for the Group. We therefore actively encourage private shareholders to use our e-view service to receive their shareholder documents electronically and to get immediate access to information relating to their personal shareholding and dividend history. Shareholders can sign up to our e-view service at www.eviewsignup.co.uk/. Barclays e-view participants can also change their details and dividend mandates online and receive dividend tax vouchers electronically. We also encourage our private shareholders to hold their shares in Barclays Sharestore, where shares are held electronically in a cost-effective and secure environment.

Private shareholders can discuss their concerns with us by email: privateshareholderrelations@barclays.com or in writing to Shareholder Relations at Barclays PLC, 1 Churchill Place, London E14 5HP.

AGM

The 2011 AGM was held on Wednesday 27 April 2011 at the Royal Festival Hall in London. In accordance with best practice, all resolutions were considered on a poll, which was conducted by our registrars and monitored by independent scrutineers. The results, along with proxy votes lodged prior to the meeting, were made available on our website the same day. 63% of the shares in issue were voted and all resolutions were approved.

The Board as a whole is committed to the constructive use of the AGM to meet with shareholders, hear their views and to answer their questions. All Directors are required to attend the AGM and all Directors attended the 2011 AGM, where the Chairmen of the Board Committees and I were available to answer shareholders questions. I look forward to meeting you at the 2012 AGM, which will be held on Friday 27 April 2012 at the Royal Festival Hall in London. The Notice of Meeting can be found in a separate document. The resolutions will be considered on a poll and the results will be announced via the Regulatory News Service (RNS) and made available on our website on the same day. Copies of the AGM speeches will also be released via RNS and posted on our website. Shareholders unable to attend the AGM are encouraged to vote in advance of the meeting via www.barclays.com/investorrelations/vote. They may also submit questions to the Board by writing to Shareholder Relations at the address given above.

Marcus Agius

Group Chairman

7 March 2012

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Directors report

Profit and dividends

The profit for the financial year, after taxation, was £3,951m (2010: £4,549m). The final dividend for 2011 of 3.0p per share will be paid on 16 March 2012 to shareholders whose names were on the Register of Members at the close of business on 24 February 2012. With the interim dividends totalling 3.0p per ordinary share, paid in June, September and December 2011, the total distribution for 2011 is 6p (2010: 5.5p) per ordinary share. The interim and final dividend for 2011 amounted to £728m (2010: £653m).

Board of Directors

The names of the current Directors of Barclays PLC, along with their biographical details, are set out on pages 21 to 23 and are incorporated into this report by reference. Sir Richard Broadbent left the Board with effect from 30 September 2011. There were no other changes to Directors in 2011.

Appointment and retirement of directors

The appointment and replacement of Directors is governed by the Company s Articles of Association (the Articles), the UK Corporate Governance Code (the Code), the Companies Act 2006 and related legislation. The Articles may only be amended by a special resolution of the shareholders.

The Board has the power to appoint additional Directors or to fill a casual vacancy amongst the Directors. Under the Articles, any such Director holds office only until the next AGM and may offer himself/herself for re-election. The Articles also require that at each AGM at least one-third (rounded down) of the Directors retire by rotation. The retiring Directors are eligible to stand for re-election. The Code recommends that all Directors of FTSE 350 companies should be subject to annual re-election, however, and all Directors will stand for re-election at the 2012 AGM.

Directors indemnities

The Company maintains directors and officers liability insurance which gives appropriate cover for any legal action brought against its Directors. In addition, qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial year ended 31 December 2011 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, powers or office.

Creditor payment policy

Barclays policy follows the Department for Business, Innovation & Skills Prompt Payment Code, copies of which can be obtained from the Prompt Payment Code website at www.promptpaymentcode.org.uk. The trade creditor payment days for Barclays Bank PLC for 2011 were 33 days (2010: 27 days). This is an arithmetical calculation based on the Companies Act regulations and does not necessarily reflect our practice, nor the experience of any individual creditor.

Political donations

The Group did not give any money for political purposes in the UK or the rest of the EU nor did it make any political donations to political parties or other political organisations, or to any independent election candidates, or incur any political expenditure during the year. Absa Group Limited, in which the Group has a majority stake, made donations totalling £224,158 in 2011 (2010: £123,295) in accordance with its policy of making political donations to the major South African political parties as part of their Democracy Support Programme. The Group made no other political donations in 2011.

Charitable donations

Barclays provides funding and support to over 8,000 charities and voluntary organisations, ranging from small, local charities, such as the Bromley by Bow Centre, supporting young people in East London with employability and job-readiness programmes, to international organisations such as Unicef. The Group committed £30.3m in support of the community in the UK (2010: 28.6m), including charitable donations of £22.6m (2010: 22.9m). Further information on our community involvement can be found on pages 24 to 25.

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Environment

In 2011 we launched the Barclays Climate Action Programme a four-year plan which focuses on addressing environmental issues where we believe we have the greatest potential to make a difference. The Climate Action Programme focuses on managing our own carbon footprint and reducing our absolute carbon emissions; developing products and services to help enable the transition to a low-carbon economy; and managing the risks of climate change. We invest in improving the energy efficiency of our operations and offset the emissions remaining through the purchase of carbon credits. We also have a long-standing commitment to managing the environmental and social risks associated with lending and a governance structure is in place to facilitate clear dialogue across the business and with suppliers around issues of potential environmental and social risk. More details may be found on our website at www.barclays.com/citizenship.

Essential contracts or arrangements

There are no persons with whom the Group has contractual or other arrangements that are considered essential to the business of the Group.

Contracts of significance

Barclays provided BlackRock, Inc. (BlackRock) with customary warranties and indemnities in connection with the sale of Barclays Global Investors (BGI) to BlackRock in 2009. Barclays will continue to provide support in respect of certain BGI cash funds until December 2013 and indemnities in respect of certain of BGI s fully collateralised securities lending activities until November 2012.

Research and development

In the ordinary course of business the Group develops new products and services in each of its business units.

Share capital

Share capital structure

The Company has Ordinary Shares in issue. The Company s Articles also allow for the issuance of Sterling, Dollar, Euro and Yen preference shares (preference shares). No preference shares have been issued as at 2 March 2012 (the latest practicable date for inclusion in this report). Ordinary shares therefore represent 100% of the total issued share capital as at 31 December 2011 and at 2 March 2012. Details of the movement in Ordinary Share capital during the year can be found on page 226.

On 31 October 2008, Barclays PLC issued, in conjunction with a simultaneous issue of Reserve Capital Instruments issued by Barclays Bank PLC, warrants (the Warrants) to subscribe for up to 1,516.9 million new Ordinary Shares at a price of £1.97775. As at 31 December 2011 there were unexercised Warrants to subscribe for 379.2 million Ordinary Shares. These Warrants may be exercised at any time up to close of business on 31 October 2013.

Exercisability of rights under an employee share scheme

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 Global and UK Sharepurchase EBTs may vote in respect of Barclays shares held in the Sharepurchase EBT, but only as instructed in those Plans in respect of their Partnership shares and (when vested) Matching and Dividend shares. The trustees will not otherwise vote in respect of shares held in the Sharepurchase EBT.

Special rights

There are no persons holding securities that carry special rights with regard to the control of the Company.

Substantial shareholders[a]

Substantial shareholders do not have different voting rights from those of other shareholders. Information provided to the Company by substantial shareholders pursuant to the Financial Services Authority s (FSA) Disclosure and Transparency Rules (DTR) is published via a Regulatory Information Service and is available on the Company s website. As at 31 December 2011, the Company had been notified under Rule 5 of the DTR of the following holdings of voting rights in its shares:

Holder	Number of Barclays Shares	% of total voting rights attaching to issued share capital	Number of Warrants	% of total voting rights attaching to issued share capital [b]
BlackRock, Inc.[c]	805,969,166	7.06		
Qatar Holding LLC[d]	827,411,735	6.79	379,218,809	1.62
Nexus Capital Investing Ltd[e]	851,584,564	6.98		
Legal & General Group plc	480,805,132	3.99		

Powers of the Directors to issue or buy back the Company s shares

The powers of the Directors are determined by the Companies Act 2006 and the Company s Articles. The Directors are authorised to issue and allot shares, and to repurchase shares subject to annual shareholder approval at the AGM. Such authorities were granted by shareholders at the 2011 AGM. It will be proposed at the 2012 AGM that the Directors be granted new authorities to allot and buy-back shares.

Repurchase of shares

The Company did not repurchase any of its Ordinary Shares during 2011 (2010: none). As at 2 March 2012, the Company had an unexpired authority to repurchase Ordinary Shares up to a maximum of 1,218,343,534 Ordinary Shares.

Change of control

If there is a change of control of Barclays PLC following a takeover bid, Barclays PLC must (so far as legally possible) use all reasonable endeavours to cause the corporation which then controls Barclays PLC to execute a deed poll providing that holders of the Warrants shall have the right (during the period in which the Warrants are exercisable) to exercise the Warrants into the class and amount of shares and other securities and property receivable upon such a takeover by the holders of the number of Ordinary Shares as would have been issued on exercise of the Warrants had such Warrants been exercised immediately prior to the completion of such takeover. The Warrants contain provisions for the adjustment of the gross number of ordinary shares in the event of the occurrence of certain dilutive events including, amongst others, extraordinary dividends, bonus issues, alterations to the nominal value of Ordinary Shares and rights issues.

There are no other significant agreements to which the Company is a party that are affected by a change of control of the Company following a takeover bid. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

Notes

a Significant shareholders for the last 3 years is shown on page 263.

b The percentages of voting rights detailed above have been calculated without including the new shares to be issued when the Warrants are exercised. This results in the percentage figures being artificially high.

c The number of Barclays shares includes 8,003,236 contracts for difference to which voting rights are attached.

d Total shown includes 13,447,183 options on ordinary shares.

e Total shown includes 93,146,946 cash-settled options referencing ordinary shares.

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Directors   report continued

Risk management and internal control

The Directors have responsibility for ensuring that management maintain an effective system of risk management and internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Barclays is committed to operating within a strong system of internal control that enables business to be transacted and risk taken without exposing itself to unacceptable potential losses or reputational damage. The Group Internal Control and Assurance Framework (GICAF) is the overarching framework that sets out Barclays approach to internal governance. It establishes the mechanisms and processes by which the Board directs the organisation, through setting the tone and expectations from the top, delegating its authority and monitoring compliance. The purpose of the GICAF is to identify and set minimum requirements in respect of the main risks to achieving the Group   s strategic objectives and to provide reasonable assurance that internal controls are effective. The key elements of the Group   s system of internal control, which is aligned to the recommendations of The Committee of Sponsoring Organizations of the Treadway Commission (COSO), are set out in the risk control frameworks relating to each of the Group   s Key Risks and in the Group operational risk framework. As well as incorporating our internal requirements, these reflect material Group-wide legal and regulatory requirements relating to internal control and assurance. The GICAF is reviewed and approved on behalf of the Chief Executive by the Group Governance and Control Committee at least annually. The Board Risk Committee also reviews the GICAF annually.

Effectiveness of internal controls

The Directors review the effectiveness of the system of internal control semi-annually. An internal control compliance certification process is conducted throughout the Group in support of this review. Key controls are also assessed on a regular basis for both design and operating effectiveness. Issues arising out of business unit risk and control assessments are considered to identify pervasive themes. Where appropriate, issues affecting more than one business unit may be categorised as having Group level significance and are reported to the Board Audit Committee via the Group Governance and Control Committee. The Board Audit Committee monitors resolution of any identified control issues of Group level significance through to a satisfactory conclusion. In addition, regular reports are made to the Board Audit Committee by management, internal audit and the finance, compliance and legal functions covering in particular financial controls, compliance and operational controls.

Risk control framework

Processes are in place for identifying, evaluating and managing the significant risks facing the Group in accordance with the guidance   Internal Control: Revised Guidance for Directors on the Combined Code   published by the Financial Reporting Council (the Turnbull Guidance). The Board regularly reviews these processes through its principal Board Committees. During 2011, the Principal Risks Policy, a material component of the GICAF, was updated to ensure that governance of non-financial risks was expanded and aligned to the structures already in place for financial risks. Regular risk reports are made to the Board covering risks of Group significance including credit risk, market risk, funding risk, operational risk and legal risk. The Board Risk Committee receives reports covering the Principal Risks as well as reports on risk measurement methodologies and risk appetite. Further details of risk management procedures are given in the Risk Management section on pages 40 to 131.

Legal entity governance

During 2011, the Group developed an enhanced policy for the governance of subsidiary entities, increasing focus on, and ensuring senior management   s line of sight to, the legal entity structure of the Group. A framework of varying minimum standards has been introduced, with the most onerous requirements being placed on larger or more complex subsidiaries that are deemed to carry greater risk. Compliance with the enhanced policy is overseen by the Group's Legal Entity Review Committee.

Controls over financial reporting

A framework of disclosure controls and procedures is in place to support the approval of the Group s financial statements. The Legal and Technical Review Committee is responsible for reviewing the Group s financial reports and disclosures to ensure that they have been subject to adequate verification and comply with legal and technical requirements, and reports its conclusions to the Disclosure Committee. The Disclosure Committee, which is chaired by the Group Finance Director, considers the content, accuracy and tone of the disclosures, reporting its conclusions to the Group Executive Committee and the Board Audit Committee, both of which review its conclusions and provide further challenge. Finally, the Board reviews and approves results announcements and the Annual Report for publication and ensures that appropriate disclosures have been made. This governance process is in place to ensure both management and the Board are given sufficient opportunity to review and challenge the Group s financial statements and other significant disclosures before they are made public. It also provides assurance for the Chief Executive and Group Finance Director when providing certifications as required under the Sarbanes-Oxley Act 2002 and recommended by the Turnbull Guidance.

Throughout the year ended 31 December 2011, and to date, the Group has operated a system of risk management and internal control, which provides reasonable assurance of effective and efficient operations covering all controls, including financial and operational controls and compliance with laws and regulations.

Management s report on internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed under the supervision of the principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the International Accounting Standards Board (IASB).

Internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorisations of management and the respective Directors; and provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of assets that could have a material effect on the financial statements.

Internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that internal controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Management has assessed the effectiveness of internal control over financial reporting as of 31 December 2011. In making its assessment, Management has utilised the criteria set forth by COSO. Management concluded that, based on its assessment, the internal control over financial reporting was effective as of 31 December 2011. Our independent registered public accounting firm has issued a report on the Group s internal control over financial reporting, which is set out on page 168.

The system of internal financial and operational controls is also subject to regulatory oversight in the United Kingdom and overseas. Further information on supervision by the financial services regulators is provided under Supervision and Regulation in the Risk Management section on pages 127 to 131.

Changes in internal control over financial reporting

There have been no changes in the Group's internal control over financial reporting that occurred during the period covered by this report which have materially affected or are reasonably likely to materially affect the Group's internal control over financial reporting.

Going concern

The Group s business activities and financial position; the factors likely to affect its future development and performance; and its objectives and policies in managing the financial risks to which it is exposed and its capital are discussed in the Business Review and Risk Management section.

The Directors have assessed, in the light of current and anticipated economic conditions, the Group s ability to continue as a going concern. The Directors confirm they are satisfied that the Company and the Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing accounts.

Disclosure of information to auditor

Each Director confirms that, so far as he/she is aware, there is no relevant audit information of which the Company s auditors are unaware and that each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company s auditors are aware of that information.

Directors Responsibilities

The following statement, which should be read in conjunction with the report of the independent registered public accounting firm set out on page 168, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditors in relation to the accounts.

The Directors are required by the Companies Act 2006 to prepare accounts for each financial year and, with regards to Group accounts, in accordance with Article 4 of the IAS Regulation. The Directors have prepared individual accounts in accordance with IFRS as adopted by the European Union. The accounts are required by law and IFRS to present fairly the financial position of the Company and the Group and the performance for that period. The Companies Act 2006 provides, in relation to such accounts, that references to accounts giving a true and fair view are references to fair presentation.

The Directors consider that, in preparing the accounts on pages 169 to 246, and the additional information contained on pages 52 to 131, the Group has used appropriate accounting policies, supported by reasonable judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the accounts comply with the Companies Act 2006.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors confirm to the best of their knowledge that:

(a) The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of Barclays PLC and the undertakings included in the consolidation taken as a whole; and

(b) The management report, which is incorporated into the Directors Report on pages 17 to 20, includes a fair review of the development and performance of the business and the position of Barclays PLC and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

Lawrence Dickinson

Company Secretary

7 March 2012

Barclays PLC

Registered in England, Company No. 48839

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Board of Directors

Marcus Agius, Group Chairman[a] (65)

Skills and experience: Marcus joined the Barclays Board in September 2006 as a non-executive Director and was appointed Chairman on 1 January 2007. Marcus has extensive city and commercial experience, having spent over 40 years in the banking sector, holding senior positions such as Chairman of Lazard in London and Deputy Chairman of Lazard LLC. Marcus also has a wealth of non-executive experience that includes a number of non-executive directorships and the chairmanship of BAA plc from 2001 until 2006.

Other principal external appointments: Chairman of the British Bankers Association since 2010; Senior Independent Director of the BBC since 2006; Member of the Executive Committee of the IIEB; Business Ambassador for UK Trade and Investment; Member of the Advisory Council of TheCityUK; Member of the Takeover Panel; Chairman of the Trustees of the Royal Botanic Gardens, Kew; Chairman of The Foundation and Friends of the Royal Botanic Gardens, Kew.

Committee membership: Chairman of the Board Corporate Governance and Nominations Committee since January 2007; Member of the Board Remuneration Committee since January 2007; Chairman of the Board Citizenship Committee since August 2011.

Bob Diamond, Chief Executive; Executive Director (60)

Skills and experience: Bob became Chief Executive on 1 January 2011, having previously held the position of President of Barclays PLC and Chief Executive of Corporate & Investment Banking and Wealth Management, comprising Barclays Capital, Barclays Corporate and Barclays Wealth. Bob became an executive Director in June 2005 and has been a member of the Barclays Executive Committee since September 1997. Bob has a wealth of industry knowledge, with over 30 years of experience in the banking industry. Before joining Barclays, Bob was Vice Chairman and Head of Global Fixed Income and Foreign Exchange at CS First Boston, where he was also a member of the Executive Board and Operating Committee. Prior to this, Bob worked at Morgan Stanley International as Managing Director and Head of Fixed Income Trading, spending 13 years with the firm.

Other principal external appointments: Non-executive Director of BlackRock, Inc.; Chairman, Board of Trustees of Colby College, Waterville, Maine; Chairman, Old Vic Productions, Plc; Trustee, The Mayor s Fund for London; Member of the Advisory Board, Judge Business School at Cambridge University; Member of International Advisory Board, British-American Business Council; Life Member of The Council on Foreign Relations; Member of The International Advisory Board, The Atlantic Council; Director, Imperial War Museum Foundation.

David Booth, Non-executive Director[b] (57)

Skills and experience: David joined the Board in May 2007 as a non-executive Director. David has extensive banking industry knowledge and experience, having previously been employed by Morgan Stanley from 1982 to 1992, and again from 1995 to 1997. David held various key positions within the company, including Head of Government Bond Trading, Head of Mortgage Trading, Sales and Finance and Head of Global Operations and Technology. Having retired from the Management Committee of Morgan Stanley in 1997, David now manages his own venture capital investments.

Other principal external appointments: Director of East Ferry Investors, Inc.

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

Alison Carnwath, Non-executive Director[b] (59)

Skills and experience: Alison joined the Board on 1 August 2010 as a non-executive Director. Alison has extensive experience of the banking industry, having worked in corporate finance and investment banking for 20 years from 1980 to 2000 before pursuing a portfolio career. Alison also has significant board experience, having held a number of non-executive directorships and the chairmanship of a listed company. During her career, Alison was a senior partner of Phoenix Securities and Managing Director, New York at Donaldson, Lufkin & Jenrette. Alison was also a director of J. Henry Schroder Wagg & Co, where she worked for 10 years.

Other principal external appointments: Non-executive Chairman of Land Securities Group PLC since November 2008; Non-executive Director of Malachite Advisors Limited; Non-executive Director of Man Group plc; Independent Director of Paccar Inc; Senior Advisor at Evercore Partners LLP.

Committee membership: Member of the Board Audit Committee since October 2010; Chairman of the Board Remuneration Committee since July 2011 (member since October 2010); Member of the Board Corporate Governance and Nominations Committee since July 2011.

Fulvio Conti, Non-executive Director[b] (64)

Skills and experience: Fulvio joined the Board in April 2006 as a non-executive Director. Fulvio has significant financial and business experience from a career spanning over 35 years, and has been CEO of Enel SpA, the Italian energy company, since 2005. During his career, Fulvio has held the role of Chief Financial Officer for various private and government owned entities in Italy, and was in charge of finance at Montedison-Compart, and head of the accounting, finance, and control department of Montecatini. He has also held positions in finance and operations in various affiliates of Mobil Oil Corporation in Italy and Europe.

Other principal external appointments: Director of ENDESA SA since June 2009; Director of AON Corporation since January 2008; Director of Italian Institute of Technology since October 2011; President of Eurelectric since June 2011.

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

Notes

a Independent on appointment.

b Independent non-executive Director.

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Simon Fraser, Non-executive Director[b] (52)

Skills and experience: Simon joined the Board in March 2009 as a non-executive Director. Simon has extensive experience of the fund management industry, having started his career at Fidelity International where he spent 27 years. During this time, Simon was President of the Investment Solutions Group and President of the Retirement Institute. Simon held a number of other positions during his time at Fidelity International, including President, European & UK Institutional Business, Global Chief Investment Officer, Chief Investment Officer for Asia Pacific and Chief Investment Officer of the European Investment Group.

Other principal external appointments: Director of Fidelity European Values PLC since July 2002; Director of Fidelity Japanese Values PLC since May 2000; Chairman of The Merchants Trust PLC since May 2010; Chairman of Foreign & Colonial Investment Trust PLC since May 2010; Non-executive Director of Ashmore Group Plc since February 2012.

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

Reuben Jeffery III, Non-executive Director[b] (58)

Skills and experience: Reuben joined the Board in July 2009 as a non-executive Director. Having held high profile roles in both the public and private financial services sectors, Reuben has been CEO of Rockefeller & Co., Inc. since 2010 and has a broad range of banking and government experience. Reuben is a Senior Adviser at the Center for Strategic & International Studies in Washington, D.C., having previously served in the US government as Under Secretary of State for Economic, Energy and Agricultural Affairs (2007- 2009). Prior to this, Reuben was the Chairman of the Commodity Futures Trading Commission. Reuben has a strong investment banking background, having spent eighteen years at Goldman, Sachs & Co. between 1983-2001 where he was managing partner of Goldman Sachs in Paris and led the firm s European Financial Institutions Group in London. Prior to joining Goldman Sachs, Reuben was a lawyer with the New York firm of Davis Polk & Wardwell.

Other principal external appointments: Member of the Advisory Board of the International Advisory Council of the China Securities Regulatory Commission; Member of the Advisory Board of TASC Inc.; Member of the Advisory Board of TowerBrook Capital Partners LP.

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

Chris Lucas, Group Finance Director; Executive Director (51)

Skills and experience: Chris was appointed Group Finance Director and became a member of the Executive Committee in April 2007. Chris is responsible for a number of Group functions including Finance, Investor Relations, Treasury, Tax, Corporate Development and Corporate Secretariat. Chris joined Barclays from PricewaterhouseCoopers LLP, where he was UK Head of Financial Services and Global Head of Banking and Capital Markets. Chris has an extensive finance and accounting background, having spent most of his career working across financial services, including three years in New York as Head of the US Banking Audit Practice of PricewaterhouseCoopers LLP. He was Global Relationship Partner for Barclays for the 1999 2004 financial years and subsequently held similar roles for other global financial services organisations.

Other principal external appointments: none held

Sir Andrew Likierman, Non-executive Director[b] (68)

Skills and experience: Sir Andrew joined the Board in September 2004 as a non-executive Director. Sir Andrew has wide ranging experience within both public and private sectors and academia. He is currently Dean of the London Business School and Chairman of the National Audit Office. Sir Andrew has held a number of high-profile roles, including 10 years spent as Managing Director, Financial Management, Reporting and Audit and Head of the Government Accountancy Service at HM Treasury. Sir Andrew also has a wealth of non-executive experience that includes serving as a non-executive Director of the Bank of England. In his professional capacity, Andrew has held the presidency of the Chartered Institute of Management Accountants, served as a member of the Financial Reporting Council for several years and was a member of the Cadbury Committee on UK Corporate Governance.

Other principal external appointments: Trustee of the Institute for Government since September 2008; Chairman of Applied Intellectual Capital Inc. (2006-2008); Non-executive Director of the Bank of England (2004-2008); Non-executive Director and Vice-Chairman of the Tavistock and Portman NHS Trust (2004-2008).

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

Note

b Independent non-executive Director.

Board of Directors continued

Dambisa Moyo, Non-executive Director[b] (43)

Skills and experience: Dambisa joined the Board on 1 May 2010 as a non-executive Director. Dambisa is an international economist and commentator on the global economy, with a background in financial services. Dambisa worked for the World Bank from 1993 to 1995. After completing a PhD in Economics, she worked for Goldman Sachs for eight years until November 2008 in the debt capital markets, hedge funds coverage and global macroeconomics teams.

Other principal external appointments: Non-executive Director of SABMiller PLC since June 2009; Non-executive Director of Lundin Petroleum AB (publ) since May 2009; Non-executive Director of Barrick Gold Corporation since April 2011.

Committee membership: Member of the Board Risk Committee since October 2010; Member of the Board Citizenship Committee since August 2011.

Sir Michael Rake, Senior Independent Director[b] (64)

Skills and experience: Sir Michael joined the Board in January 2008 as a non-executive Director, and was appointed Senior Independent Director in October 2011. Sir Michael has significant non-executive experience, both as a chairman and board member of listed companies. With over 30 years spent with KPMG, Sir Michael has substantial financial and business experience gained in Continental Europe and the Middle East. He was Senior Partner of the UK firm from 1998-2000 and Chairman of KPMG International from 2002-2007.

Other principal external appointments: Chairman of BT Group plc since 2007; Chairman of easyJet Plc since January 2010 (Deputy Chairman June 2009 December 2009); Director of the Financial Reporting Council (2007-2011); Director of the McGraw-Hill Companies since 2007; Chairman of the UK Commission for Employment and Skills (2007-2010); Chairman of Business in the Community (2004-2007).

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

Sir John Sunderland, Non-executive Director[b] (66)

Skills and experience: Sir John joined the Board in June 2005 as a non-executive Director. Sir John has extensive business experience and knowledge, having spent forty years with Cadbury Schweppes PLC, where he became Chief Executive in 1996 and subsequently Chairman in 2003. Sir John has significant experience as a Director of UK listed companies, and has also held a number of presidencies of trade and professional bodies, including the Confederation of British Industry and the Chartered Management Institute.

Other principal external appointments: Chairman of Merlin Entertainments Limited since December 2009; Director of the Financial Reporting Council until 2011; Adviser to CVC Capital Partners; Governor of Reading University; Chancellor of Aston University; Deputy President of the Chartered Management Institute until 2009 (President 2007-2008); Deputy President of the CBI until June 2008 (former member and President).

Committee membership: Member of the Board Corporate Governance and Nominations Committee since September 2006; Member of the Board Remuneration Committee since July 2005; Member of the Board Citizenship Committee since August 2011.

Note

b Independent non-executive Director.

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Citizenship

At Barclays, we have a clear sense of our business purpose: to help individuals, businesses and economies progress and grow. For us, the term Citizenship captures this purpose and directs how we use our resources and expertise to create long term value for all our stakeholders.

Banks need to become better citizens. This is not about philanthropy it s about delivering real commercial benefits in a way that also creates value for society.

Bob Diamond

Chief Executive

Citizenship is one of Barclays four execution priorities and is integral to our business.

In the first instance, Citizenship is about contributing to growth in the real economy, creating jobs and supporting sustainable growth. Second, it is about the way we do business: putting our customers interests at the heart of what we do, and managing our impact responsibly. Third, it is about supporting our communities through investment programmes and the direct efforts of our employees.

Our approach

Throughout the year, we engaged with a diverse set of stakeholders to understand the challenges they face and how we can best help. Stakeholders play a pivotal role in helping us determine how we prioritise the issues we need to address. This involves listening to our customers and clients, our shareholders and employees, while working in collaboration with charities and governments.

We made firm progress in 2011 but still have a long way to go. That s why in 2012 we will launch a Citizenship Plan outlining our longer term commitments to 2015. These objectives will be aligned to rigorous planning and reporting processes to drive delivery of this agenda, including responsibilities as corporate taxpayers. In this respect, we note HMRC s reaction to a transaction that we voluntarily disclosed to them and recognise that we need to anticipate better its changing approach to the taxation of corporates.

Board Citizenship Committee

In 2011, we strengthened our governance framework by creating a Board Citizenship Committee as a formal sub-committee of our Board of Directors. The committee is chaired by Group Chairman Marcus Agius and includes two non-executive Directors.

Progress against our priorities is reviewed regularly and will be formally assessed at least twice yearly by the Board Citizenship Committee and the Executive Committee. A range of management committees are responsible for specific aspects of Citizenship performance.

Citizenship reporting

We have included here a summary of our progress. We will publish a comprehensive analysis in our Citizenship Report.

We measure and monitor progress across a wider range of issues in our annual Citizenship Report. The Report contains an extensive amount of information on our strategy, impacts, and performance and is independently assured using a robust reporting framework. Read the online Report from 23 April 2012 to access full 2011 data.

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Contributing to growth

We operate a profitable business helping individuals, businesses and institutions to pursue their goals.

We are committed to increasing lending to businesses and have exceeded our Project Merlin targets in the UK. Of the £43.6bn delivered, £14.7bn was provided to SMEs. We raised over US$1 trillion in funding for institutions, including US$388bn for governments and public sector entities. In a difficult year for the Eurozone, we were the leading manager of bonds for the European Financial Stability Mechanism. We also help individuals to manage their money, and last year supported 10,000 people in buying their first home.

The way we do business

We seek to reinforce our integrity every day in the way that we manage our business and treat our customers.

The interests of our customers and clients are at the heart of what we do, and we strive to improve the service that we provide. UK Banking complaints reported to the FSA (excluding PPI) fell 30% year on year, but we recognise we have more to do to in this area. We make responsible decisions in how we govern the business and treat our colleagues (see page 26), and actively manage the social and environmental impacts of what we do. As part of our Climate Action Programme, we have committed to reduce our carbon emissions by 4% by 2013.

Supporting our communities

Our role in the communities goes far beyond what we deliver through our core business activities.

The future success of communities and economies is reliant on the next generation having the right skills. We focus on empowering young people with the necessary financial, entrepreneurial and life skills to achieve financial independence and security. In 2011, we invested £63.5m in community programmes which reached over two million people. These activities were supported by 73,000 colleagues who donated their time, skills and money to support community causes.

Case study: supporting UK SMEs

In 2011, we helped over 100,000 businesses to start up and our nationwide seminars provided practical business advice to over 14,000 people. We were one of the first banks to respond to the riots in UK communities in August, helping assess cash flow impact and offering temporary overdrafts.

Case study: customer satisfaction

We worked to improve customer satisfaction across the business during 2011.

Case study: empowering young people

Our partnership with Youth Business International (YBI) helps young people start their own businesses and create employment. YBI works with young people to provide access to capital, training, mentoring and other business development services. This benefits 50,000 young entrepreneurs in 34

We are holding lending clinics across the UK, answering questions on lending and the loan application process, to provide small businesses with the confidence to invest for growth.

For example, in the UK, our corporate bank ranked first for client satisfaction amongst peers and a division in our wealth management business won Best Customer Experience Award in Financial Services in the Customer Experience Awards. Our UK retail bank improved customer satisfaction ranking to fourth amongst peers and received the Which? Award for Positive Change .

countries.

Our employees volunteer in a variety of ways, including mentoring and providing professional support.

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People

Global excellence

Our success relies on the valuable skills of our people. We continue to operate to global governance frameworks and standards which regulate how we manage and treat our employees around the world. We are expanding the reach of these frameworks by establishing shared global practices across our businesses. Our key areas of focus are:

Attraction, engagement and performance

We recognise that successful employment relationships rely on mutual benefit. We are, therefore, clear and open about the skills and commitment we look for in new colleagues. We encourage applications from a diverse range of people and use selection techniques that support individuals in showing us what they can bring to Barclays, paying particular regard to the aptitudes of persons with disabilities.

The drive for individuals to be their best continues after joining our team. Our suite of communication channels cover internal and external topics that matter to our people and raise their awareness of the financial and economic factors that affect how Barclays operates now and in the future. These include global and location-specific intranets, news magazines and briefings from Executive and local Leaders to ensure the widest possible reach. Two-way communication is maintained by regular Employee Opinion Surveys with follow-through of the outcomes at all levels of our organisation and by consultation with our recognised unions and work councils internationally. These enable the views of our people to be taken into account in corporate decisions affecting their interests.

Assessment of performance is not only about what is achieved; how it is achieved is equally important. Resources for both personal and professional development are provided to employees in addition to mandatory training on policies and regulatory responsibilities. Employees regularly review, with their managers, their performance and development needs and, typically, twice a year, a performance rating is communicated.

Financial incentives are based on individuals performance ratings and the performance of their business. As an extra means of encouraging our people to be involved and to share in our success, we regularly invite them to participate in our share options and share purchase schemes. Further details of our approach to remuneration are included in the Remuneration report on pages 27 to 39.

Diversity and inclusion

Our mission is to create an ever more inclusive environment through ensuring that we treat people fairly, with respect and value all aspects of diversity. Strategies to achieve this aim are endorsed at Board level and promulgated throughout our organisation. This is achieved by a range of initiatives and monitoring. These initiatives include training for all employees, workplace and working practice adjustments for persons with disabilities, company sponsored employee resource groups and an annual global scheme celebrating the significant contribution from female colleagues.

We are proud that many of our initiatives have received external recognition around the world, but recognise there is more to be accomplished. For example, we are monitoring diversity and inclusion progress year on year and, by leveraging our merit-based approach to appointments. We aim to ensure that our Board is diverse in every sense of the word with particular aspirations for female representation at this level.

Health and safety

The health and safety of our employees and customers is important to Barclays. It is an integral part of the duties of line managers to manage all health and safety issues within their areas of responsibility. Line managers have access to specialist resources for advice and guidance to support them in discharging their health and safety responsibilities.

We consult with our employees on matters affecting their health and safety. We encourage their involvement and personal commitment, including working closely with employee representatives.

Barclays is committed to promoting a working environment where health and safety is a fundamental part of the culture.

Employees by geographic segment full time equivalent	UK	Europe	Americas	Africa and Middle East	Asia	Total
2011	**56,100**	**11,600**	**10,900**	**47,900**	**14,600**	**141,100**
2010	58,100	13,600	11,500	50,400	13,900	147,500

The definition for senior executives has been re-calibrated to achieve greater consistency across the different business areas. The 2010 published percentage has been revised to reflect this change.

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Remuneration report

Statement from the Chairman of the Board Remuneration Committee

We recognise that executive remuneration generally, and bank remuneration in particular, is an important issue. Barclays needs to work with the acceptance of the communities in which we operate and balance the competing demands of our many stakeholders. This includes a close and continuous engagement with the Financial Services Authority and with our shareholders.

In 2011 Barclays delivered a solid set of results, achieved in challenging market and economic conditions. This included:

- Total income up 3% (adjusted income excluding own credit and debt buy-backs down 8%);
- Profit before tax down 3% (adjusted profit before tax down 2%);
- Credit impairment charge improved 33%, with an annualised loan loss rate of 77bps (2010: 118bps);
- Operating expenses, excluding PPI provision, goodwill impairment and UK bank levy, down 4%. Cost saving targets have been exceeded;
- Core Tier 1 ratio strengthened to 11.0% (2010: 10.8%) and risk weighted assets reduced;
- Liquidity pool remained strong;
- Net asset value per share increased 9% and net tangible asset value per share increased 13%;
- Universal banking model helped to deliver broadly balanced adjusted profit before tax across the retail and investment banking businesses;
- Sovereign exposure to Spain, Italy, Portugal, Ireland and Greece reduced;
- Improving performance against our Citizenship execution priority, including delivery of £43.6bn of gross new lending to UK businesses, including £14.7bn to SMEs, exceeding Project Merlin lending targets; and

- Final dividend of 3.0p per share for the fourth quarter, making 6.0p for the year, an increase of 9%.

The results were reflected in the remuneration decisions across Barclays including those for Bob Diamond and Chris Lucas. 2011 total incentive awards were down 26% across the Group compared with a 3% reduction in profit.

Remuneration decisions for all of our employees, including for Bob Diamond and Chris Lucas, reflect performance and in making these decisions we are mindful of current economic conditions. Bonuses for our executive Directors and our eight highest paid senior executive officers were down 48% versus 2010 on a "like-for-like" basis (being the reduction for individuals in service in both 2010 and 2011).

Barclays needs to operate commercially and that includes setting remuneration for our executive Directors appropriately. Key factors that were taken into account in deciding on Bob Diamond's bonus were Barclays profit before tax and adjusted profit before tax; the relative performance of Barclays versus its peers; progress in delivering the four strategic priorities of capital, returns, income and Citizenship; progress in delivering the £1bn cost reduction target; Bob Diamond's leadership of the Executive Committee; and progress in delivering the return on equity target of 13%. In assessing the return on equity target, the Committee took into account the fall in return on equity during the year and the increased levels of capital being held. Barclays made progress in executing a thorough portfolio review designed to ensure that the business can achieve its return on equity target in the future. The Committee also took into account the PPI redress and progress against the Project Merlin lending targets.

The Board and the Committee recognise that our return on equity has to improve. In order to achieve this, our operating costs need to be reduced. Remuneration has its part to play in that. We fully recognise that higher capital requirements and a challenging economic environment mean that remuneration levels in the industry have to adjust. That journey will take time and we have taken important steps in the right direction in 2011. Total incentive awards for Barclays Capital were down 35% on 2010 with Barclays Capital profit before tax reducing 32%. The Committee will continue to focus on reaching a sustainable balance between shareholder returns and employee remuneration.

In determining 2011 total incentive awards, the Committee made appropriate adjustments to reflect material events in 2011. This included adjusting total incentive awards for the impact of the PPI redress and reviewing financial performance excluding own credit. The Committee also considered material events in 2011 for individual decisions, which resulted in reductions to incentive awards and the clawback of unvested deferred awards in a number of cases.

This report provides the following information:

- Part A (page 28): an overview of executive remuneration for 2011;
- Part B (page 29): details of the total incentive awards for 2011; and
- Part C (pages 30 to 39): additional disclosures to comply with legal and regulatory requirements for remuneration disclosure. Barclays auditors, PricewaterhouseCoopers LLP, have audited the information in Tables 4, 6, 7, 8, 9, 10, 11, 19, 23 and 24.

Additional information on Barclays approach to remuneration can be found at www.barclays.com/investorrelations. This includes:

- Details relating to Barclays Remuneration Policy;
- How regulatory requirements are factored into decision making;
- The key elements of Barclays remuneration arrangements; and
- A summary of the principal share and cash plans and long term incentive plans used for the 2011 performance year.

I trust the remuneration report provides you with a clear picture of how the Committee has discharged its responsibilities in 2011.

On behalf of the Board

Alison Carnwath

Chairman, Board Remuneration Committee

7 March 2012

Part A: Overview of executive remuneration for 2011

Remuneration decisions, including those for executive Directors and Code Staff, are managed on the basis of total remuneration, comprising salaries, bonuses and long term incentive awards. Code Staff are Barclays employees whose professional activities could have a material impact on the Group s risk profile. The Committee reviews each element of remuneration relative to performance and relative to the practice of other comparable organisations. This includes benchmarking against other leading international banks and financial services organisations and other companies of a similar size to Barclays.

Salaries are set at a level consistent with market rates. Bonuses are determined by reference to a qualitative and quantitative assessment of performance. Both financial and non-financial performance is considered. Financial performance is assessed by reference to key financial metrics including profit before tax, return on equity, return on risk weighted assets (RoRWA) and cost control. Non-financial performance is assessed by reference to factors including customer satisfaction and employee opinion surveys.

For the 2011 performance year, the use of deferred bonuses was increased to align better the incentive created by the variable component of remuneration to sustained performance. Deferred bonuses vest over a period of three years, dependent on future service and subject to clawback provisions.

Long term incentive awards reward execution of Barclays strategy and the creation of sustained growth in shareholder value. They are designed to align the executive Directors and most senior employees goals with the long term success of Barclays. Long term incentive awards are subject to risk-adjusted performance conditions, measured over a performance period of a minimum of three years. The vesting of awards is subject to the discretion of the Committee to ensure that awards only vest for performance and vesting is also subject to clawback provisions. Vested long term incentive awards are delivered in Barclays shares and cash.

Table 1 shows the details of salary, bonus for 2011 and the value at award of 2012-2014 performance period long term incentive awards for the executive Directors and the eight highest paid senior executive officers (who are Key Management Personnel). No salary increases were made for these individuals during 2011 and the salaries are unchanged for 2012. Bonuses for these individuals were down 48% versus 2010 on a like-for-like basis and are deferred over three years. The bonuses reflect the financial performance of Barclays. They also reflect the return on equity that was delivered. Cost control was disciplined and risk performance was strong, with reduced credit impairment, strong capital and liquidity positions, and reduced exposure to Eurozone sovereign debt. Project Merlin lending targets were also exceeded. Each individual's contribution was reviewed using a formal performance assessment process and by reference to objectives set at the start of the year. The outcome of this process is used to inform remuneration decisions.

Retirement benefits (or cash in lieu of pension) and other benefits (which may include private medical insurance, life and disability cover and car allowance) are provided in addition to the total remuneration package.

Further details on executive Director remuneration are provided in pages 31 to 35 of this report. Further details of the long term incentive plans are provided on pages 269 to 272.

Table 1: Total remuneration of the executive Directors and eight highest paid senior executive officers

	Executive Directors		Senior executive officers							
	Bob Diamond 2011	Chris Lucas 2011	1	2	3	4	5	6	7	8
			2011	2011	2011	2011	2011	2011	2011	2011
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Salary	1,350	800	700	700	600	700	695	745	600	584
Current year cash bonus	0	0	0	0	0	0	0	0	0	0

Current year share bonus	0	0	0	0	0	0	0	0	0	0
Deferred cash bonus	0	0	2,250	2,250	1,550	1,000	1,000	931	950	0
Deferred share bonus	2,700	1,800	2,250	2,250	1,550	1,000	1,000	931	950	1,230
Total of salary and bonus	**4,050**	**2,600**	**5,200**	**5,200**	**3,700**	**2,700**	**2,695**	**2,607**	**2,500**	**1,814**
Long term incentive award	2,250	1,333	1,500	1,300	1,500	2,250	2,250	621	700	703
Total remuneration	**6,300**	**3,933**	**6,700**	**6,500**	**5,200**	**4,950**	**4,945**	**3,228**	**3,200**	**2,517**

Remuneration report continued

Part B: Total incentive awards for 2011

We recognise the understandable importance that all stakeholders attach to the judgements that we must apply in managing remuneration. We manage remuneration in a way that is consistent with protecting future revenue flows and our ability to maximise returns to shareholders while enhancing our customer and client service standards.

Ensuring that we have the right people, in the right roles, is vital to our ability to generate shareholder returns by serving our customers and clients effectively, especially in the highly competitive, global markets in which we operate. This requires that we are competitive in the way in which we manage remuneration.

We manage remuneration decisions on the basis of total remuneration. An important tool in ensuring an appropriate balance between competitiveness and responsibility is the mix between the fixed and variable components of remuneration. We set the fixed component of remuneration which largely comprises salaries at a level consistent with market rates. We use the variable component of remuneration to create the flexibility that allows our cost base to respond to changes in economic and business conditions and to provide a clear and explicit link between remuneration and current and future performance. That link includes, in particular for senior roles, paying a substantially higher proportion of bonuses in shares, and deferred bonuses being subject to clawback provisions, to help ensure sustained performance over the longer term.

We have increased the use of deferred bonuses to align better the incentive created by the variable component of remuneration to sustained performance. Deferred bonuses are payable only once an employee meets certain conditions, including a specified period of service.

Table 2 sets out details of total incentive awards for 2011, including:

- Total bonus pool down 25% and total incentive awards down 26% versus 2010, with Barclays profit before tax reducing 3%;
- Barclays Capital bonus pool down 32% and total incentive awards down 35% versus 2010, with Barclays Capital profit before tax reducing 32%;
- Total bonus pool as a percentage of profit before tax (pre-bonus) down year on year from 33% to 28%;
- Average value of bonus per Barclays employee down 21% year on year to £15,200; average value of bonus per Barclays Capital employee down 30% to £64,000;
- Current year cash bonus capped at £65,000 for Barclays Capital employees; and
- Proportion of bonus pool that is deferred significantly exceeds the FSA s Remuneration Code requirements and is expected to be amongst the highest deferral levels globally; 75% of the bonus pool in Barclays Capital is deferred.

The balance between shareholder returns and incentive awards for employees is a key consideration for the Committee. The Committee will continue to focus on reaching a sustainable balance.

Table 2: Total incentive awards granted current year and deferred

	Barclays Group			Barclays Capital		
	Year Ended 31.12.11	Year Ended 31.12.10		**Year Ended 31.12.11**	Year Ended 31.12.10	
	£m	£m	% Change	**£m**	£m	% Change
Current year cash bonus	832	1,601	(48)	381	1,139	(67)

Current year share bonus	66	73	(10)	3	57	(95)
Total current year bonus	**898**	**1,674**	**(46)**	**384**	**1,196**	**(68)**
Deferred cash bonus	618	568	9	576	530	9
Deferred share bonus	634	609	4	576	535	8
Total deferred bonus	**1,252**	**1,177**	**6**	**1,152**	**1,065**	**8**
Bonus pool	**2,150**	**2,851**	**(25)**	**1,536**	**2,261**	**(32)**
Sales commissions, commitments and other incentives	428	633	(32)	201	399	(50)
Total incentive awards granted	**2,578**	**3,484**	**(26)**	**1,737**	**2,660**	**(35)**
Bonus pool as % of profit before tax (pre bonus)	28%	33%		35%	36%	
Bonus pool as % of adjusted profit before tax (pre bonus)	29%	34%		35%	36%	
Proportion of bonus that is deferred	58%	41%		75%	47%	
Total employees (full time equivalent)	141,100	147,500	(4)	24,000	24,800	(3)
Bonus per employee	£15,237	£19,329	(21)	£64,000	£91,169	(30)

Please refer to page 38 for Glossary. For a reconciliation of the total incentive awards granted to the relevant income statement charge, see Table 23 on page 38.

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Part C: Additional disclosure information

Board Remuneration Committee remit and membership

The Committee provides governance and strategic oversight of remuneration. The Committee s terms of reference are available online at www.barclays.com/corporategovernance. The terms of reference were revised in February 2011 to take account of regulatory and corporate governance developments. The Committee met formally eight times during 2011. The Committee Chairman reported to the Board on the substantive issues discussed at each meeting. In addition to the formal meetings, the Committee members frequently consult between meetings and meet informally. The Committee Chairman consulted with shareholders and representative bodies during 2011. This included, in line with our commitments under Project Merlin, engaging with shareholders to ensure that their views and opinions were fully understood ahead of the Committee reaching its decisions.

The members of the Committee during 2011 were Sir Richard Broadbent (Committee Chairman until 30 June 2011), Alison Carnwath (Committee Chairman from 1 July 2011), Marcus Agius (Group Chairman), Simon Fraser and Sir John Sunderland. Details of members attendance are shown in Table 3. The non-executive Directors who are Committee members are considered by the Board to be independent of management and free from any business or other relationship that could materially affect the exercise of their independent judgement. Marcus Agius was considered independent on appointment to the Board.

The outcome of the 2011 Board Effectiveness Review showed that the Committee operated effectively in 2011. Figure 1 sets out how the Committee's time was allocated in 2011.

Advisors

The Committee s work is supported by independent professional advice. The Committee reviews the appointment of advisors each year. In 2011 Towers Watson was re-appointed by the Committee as its advisor until February 2012. Johnson Associates, Inc. was appointed by the Committee as its advisor from March 2012. Any potential conflicts of interest the advisors may have are disclosed to the Committee. In addition to advising the Committee, Towers Watson provided remuneration benchmarking data to the Group. Towers Watson also provided pension advice as the appointed advisor to the trustee of the UK Retirement Fund. The Chief Executive, the Human Resources Director, the Compensation and Benefits Director and, as necessary, members of the Executive Committee, also advised the Committee, supported by their teams. No Barclays employee is permitted to participate in discussions or decisions of the Committee relating to his or her own remuneration.

Barclays Remuneration Policy

The Remuneration Policy provides a framework for the Committee in carrying out its work, including remuneration decisions for executive Directors and Code Staff. The aims of the Remuneration Policy are to:

1. Attract and retain those people with the ability, experience and skill to deliver Barclays strategy;

2. Create a direct and recognisable alignment between the rewards and risk exposure of shareholders and employees;

3. Incentivise employees to deliver sustained performance consistent with strategic goals and appropriate risk management, and to reward success in this;

4. Deliver remuneration that is affordable and appropriate in terms of value allocated to shareholders and employees; and

5. Encourage behaviour consistent with Barclays guiding principles.

More details on the Remuneration Policy including Barclays guiding principles can be found on pages 269 to 272. The Committee reviews the Remuneration Policy to ensure that Barclays remuneration remains competitive and provides appropriate incentive for performance. To ensure appropriate operation of the Remuneration Policy, the Committee has established remuneration governance frameworks for each major business and for the Group. The frameworks are forward looking and are based on financial metrics, including key remuneration ratios, that assess the current and future affordability of remuneration. The frameworks are designed to ensure that remuneration is managed in a way that is consistent with delivering the strategy and performance of Barclays and each of the businesses, whilst maintaining capital strength.

For individual remuneration decisions made by the Committee, including the decisions for executive Directors, the level of remuneration across Barclays and each of the businesses is taken into account. The combined potential remuneration for the executive Directors and for senior employees from bonuses and long term incentive awards outweighs the fixed component of remuneration, and is subject to individual and business performance. This means that the majority of remuneration is risk adjusted.

Table 3: Committee attendance

	Meetings eligible to attend	Meetings attended
Sir Richard Broadbent	6	6
Alison Carnwath[a]	8	6
Marcus Agius	8	8
Simon Fraser	8	8
Sir John Sunderland[a]	8	7
Secretary		
Patrick Gonsalves		

a Unable to attend due to prior commitments. In the case of Alison Carnwath the meetings not attended were meetings prior to her becoming Committee Chairman.

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Remuneration report continued

Remuneration governance

The Committee determines the bonus pool by reference to a number of quantitative and qualitative measures. In doing this the Committee is informed by the remuneration governance frameworks and associated financial metrics and remuneration ratios. The Committee receives input from the Group Finance Director and the Chief Risk Officer on key financial and risk matters. The Committee works closely with the Board Audit Committee and the Board Risk Committee, and receives input on internal audit, compliance and risk matters. This includes the Committee receiving a report from the Board Risk Committee on the risk performance of the businesses in order to ensure that the bonus pool properly reflects this performance.

The Committee reviews individual remuneration recommendations for executive Directors, Code Staff and employees with total remuneration of £1m or more. Remuneration decisions are directly linked to individual performance, both financial and non-financial. Individual performance is reviewed by line management through a formal assessment process, which includes a review against objectives set at the start of the year. The assessment includes reviewing individual behaviour against Barclays guiding principles and applicable risk and control policies.

Bonuses above a threshold level (set annually by the Committee) include awards in the form of deferred bonuses. The vesting of deferred bonuses is dependent on future service and subject to clawback provisions. The Committee reviews the operation of clawback provisions and may reduce the vesting level of an unvested deferred bonus (including to nil). Events that may lead to the operation of clawback provisions include employee misconduct, harm to Barclays reputation, material restatement of Barclays financial statements, a material failure of risk management or a significant deterioration in the financial health of Barclays. Clawback provisions may also result in suspension of deferred bonuses where an employee is under investigation for a regulatory or disciplinary matter.

The risk and compliance functions play a key role in remuneration governance. The risk function provides regular updates to the Committee on risk adjusted business performance and it also provides input on the remuneration governance frameworks, bonus pool proposals and new incentive plan designs (including risk-adjusted metrics for use in long term incentive plans) from a risk management perspective. The input of the compliance function focuses on the assessment of individual employee behaviour based on the operation of compliance controls. Remuneration decisions for employees working in key control functions, including the risk and compliance functions, are determined independently of the businesses in which they work. The remuneration governance arrangements described above apply to all employees in Barclays, including Code Staff.

Executive Director remuneration

Table 4 shows the total remuneration for the executive Directors and Table 5 shows their salaries.

Salary

The executive Directors salaries are unchanged for 2012.

Bonus

The maximum bonus opportunity for 2011 for executive Directors was 250% of salary, and it will remain the same for 2012.

The bonuses for 2011 for the executive Directors reflect the results for 2011 which were delivered amidst a challenging economic, market and regulatory environment. The bonuses are deferred over a period of three years in Barclays shares under the Share Value Plan (SVP). No consideration is payable by the executive Directors to receive the award. SVP awards normally vest in equal portions on the first, second and third anniversaries of grant dependent on future service and they are subject to clawback provisions.

Long term incentive awards

The maximum value of long term incentive awards for executive Directors for the 2012-2014 performance period is 500% of salary. Table 4 shows the value at award of the proposed long term incentive awards for the 2012-2014 performance period for the executive Directors (based on 33% of the maximum number of shares subject to the award). The long term incentive awards will be granted under the Barclays Long Term Incentive Plan. No consideration is payable by the executive Directors to receive the awards. The awards are dependent on future service and vest subject to performance conditions and clawback provisions. Further details on the Barclays Long Term Incentive Plan (Barclays LTIP) are provided on pages 269 to 272.

Table 4: Total remuneration (audited)

	Bob Diamond		Chris Lucas	
	2011	2010	**2011**	2010
	£000	£000	**£000**	£000
Salary	**1,350**	250	**800**	763
Current year cash bonus	**0**	0	**0**	360
Current year share bonus	**0**	1,800	**0**	360
Deferred cash bonus	**0**	2,350	**0**	540
Deferred share bonus	**2,700**	2,350	**1,800**	540
Total of salary and bonus	**4,050**	6,750	**2,600**	2,563
Long term incentive award	**2,250**	2,250	**1,333**	1,333
Total remuneration	**6,300**	9,000	**3,933**	3,896

Table 5: 2011 and 2012 salary

	Salary at 31 December 2011 £000	Salary at 1 April 2012 £000	Date of previous increase
Bob Diamond	**1,350**	1,350	1 January 2011
Chris Lucas	**800**	800	1 April 2010

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Pension

The executive Directors received an annual cash allowance in lieu of membership of a Barclays pension plan. This was 50% and 25% of salary for Bob Diamond and Chris Lucas respectively. Further details are shown in Table 6. The accrued pension of £60,000 at 31 December 2011 for Bob Diamond relates to US pension plans in which he ceased to be an active member as at 31 December 2010.

Benefits

Executive Directors are provided with benefits including private medical insurance, life and disability cover, accommodation as required for business purposes, tax advice, the use of a company vehicle or the cash equivalent and the use of a company driver when required for business purposes. Table 7 shows the benefits received by the executive Directors.

Tax equalisation

Bob Diamond is a UK taxpayer and paid UK income tax on his employment income (that exceeded the higher rate taxable band) at 50% in 2011. In accordance with his contract, and consistent with arrangements for other senior executives in global companies required to work in multiple locations, he is tax equalised. This tax equalisation is not remuneration for him. Bob Diamond is tax equalised on tax above the UK rate where that cannot be offset by a double tax treaty. The tax equalisation costs in 2011, shown in Table 8, included an amount met by Barclays in respect of taxes that arose as a result of Bob Diamond s relocation from the US to the UK, which was required by the Board for his appointment as Chief Executive. In particular, the difference in treatment of capital gains on historical share awards between the US and UK resulted in a one-off additional tax charge, which could not be offset by a double tax treaty. Because of the one-off nature of a large part of the 2011 cost, the Committee expects the 2012 tax equalisation costs to be significantly reduced.

Table 6: Pension (audited)

	Age at 31 December 2011	Completed years of service	**Accrued pension at 31 December 2011**	Transfer value of accrued pension at 31 December 2010	**Transfer value of accrued pension at 31 December 2011**	**Increase in transfer value during 2011**	2011 cash in lieu of pension
			£000	£000	**£000**	**£000**	£000
Bob Diamond	60	15	**60**	473	**599**	**126**	675
Chris Lucas	51	4					200

Note to Table 6: Bob Diamond ceased to be an active member of Barclays US defined benefit and defined contribution plans as at 31 December 2010. The defined benefit plans were the US Staff Pension Plan (funded) and the US Restoration Plan (unfunded). The defined contribution plans were the Barclays Bank PLC 401K Thrift Savings Plan and the Thrift Restoration Plan. The increase in the transfer value of accrued pension for Bob Diamond during 2011 is primarily due to changes in US financial and demographic assumptions.

Table 7: Benefits (audited)	2011 £000	2010 £000
Bob Diamond	**474**	268
Chris Lucas	**28**	25

Table 8: Tax equalisation (audited)	2011 £000	2010 £000
Bob Diamond	**5,745**	
Chris Lucas		

Table 9: Total of salary, current year bonus, cash in lieu of pension and benefits (audited) (calculated in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008)	2011 £000	2010 £000
Bob Diamond	**2,499**	2,318
Chris Lucas	**1,028**	1,699

The total for 2011 for Bob Diamond including tax equalisation is £8.244m (the sum of £2.499m shown above and gross costs of tax equalisation of £5.745m shown in Table 8).

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Remuneration report continued

Outstanding long term awards

Barclays operates a number of long term plans to align the interests of executive Directors, Code Staff and other senior employees with the interests of shareholders and with the execution of Barclays strategy over the longer term.

For the Performance Share Plan (PSP) and the Barclays LTIP, independent confirmation is provided to the Committee of the extent to which each performance condition has been met at the end of each performance period. In relation to the 2006-2008 PSP award, the maximum number of shares that could be released was determined in 2009 and fixed as shown in Table 10. The Committee recommended that the number of shares shown in Table 10 be released in March 2011. In relation to the 2007-2009 PSP awards, the voluntary clawback arrangement will cease in March 2012 at the end of the two year clawback period. The 2007-2009 awards are not shown in Table 10 as the shares were released in 2010.

In relation to the 2008-2010 PSP awards, the total shareholder return (TSR) performance measure was partially met but the economic profit performance measure was not met. As a result, awards vested in March 2011 at 0.5 times the initial award (maximum is 3 times). In relation to the 2009-2011 PSP award, the underpin (as shown in Table 12) was met, the RoRWA performance measure was met and the TSR performance measure was partially met. As a result, the award will vest in 2012 at 2.1 times the initial award (maximum is 3 times). These performance measures were chosen for the reasons set out further in this report.

Table 10: Outstanding share plan and long term incentive plan awards (audited)

	Number of shares under award/option at 1 January 2011 (maximum)	Number of shares awarded in year (maximum)	Market price on award date	Weighted average exercise price	Number of shares released/exercised
Bob Diamond					
PSP 2006-2008	1,164,273		£6.75		(1,164,273)
PSP 2008-2010	2,031,030		£4.25		(338,505)
PSP 2010-2012	5,563,902		£3.55		
Incentive Share Option Plan	575,008			£4.25	
Executive Share Award Scheme	2,699,215				(2,453,074)
Share Value Plan 2011		850,524	£2.76		
Barclays LTIP 2011-2013		2,442,996	£2.76		
Chris Lucas					
PSP 2008-2010	541,608		£4.25		(90,268)
PSP 2009-2011	1,598,046		£2.34		
PSP 2010-2012	927,318		£3.55		
Sharesave	3,735			£4.70	
Executive Share Award Scheme	646,762				
Share Value Plan 2011		195,439	£2.76		

Barclays LTIP 2011-2013	1,447,701	£2.76		

Table 11: Outstanding Contingent Capital Plan awards (audited)

	Value under award at 1 January 2011 (maximum) (£000)	Value awarded in year (maximum) (£000)	Value under award at 31 December 2011 (maximum) (£000)	First scheduled release date	Last scheduled release date
Bob Diamond		2,350	2,350	23/05/2012	23/05/2014
Chris Lucas		540	540	23/05/2012	23/05/2014

Note to Table 11: Deferred cash bonuses were granted under CCP in 2011. The awards are dependent on future service and vest subject to clawback provisions and subject to the condition that the Core Tier 1 ratio is equal to or exceeds 7%. On vesting, an additional discretionary benefit may be added equivalent to a coupon which for the awards shown is 7% on the award amount (on an annualised and non-compounded basis). Executive Directors do not pay for CCP awards.

Table 12: Performance conditions attaching to the long term incentive plans in which the executive Directors participate

Plan	Performance period	Performance measure	Target
Barclays LTIP	**2011-2013**	60% of award calibrated against RoRWA	23% of award vests for average annual RoRWA percentage of 1% over the performance period. Maximum of 60% vests for average annual RoRWA of 1.5%. Vesting on a straight line basis in between
		30% of award calibrated against loan loss rate	10% of award vests for average annual loan loss rate of 95bps over the performance period. Maximum of 30% vests for 81bps or below. Vesting on a straight line basis in between
		10% of award calibrated against sustainability metrics	Performance against the sustainability metrics is assessed by the Committee to determine the percentage of the award that can vest between 0% and 10%
PSP	**2010-2012**	50% of award calibrated against a relative TSR performance condition	33% of maximum award released for above median performance (6th place) with 100% released in 1st place and a scaled basis in between
		50% average RoRWA	17% of maximum award released for 0.83% scaled to a maximum award at 1.46%
PSP	**2009-2011**	50% of award calibrated against a relative TSR performance condition	As above (2010-2012)
		50% average RoRWA	17% of maximum award released for 0.83% scaled to a maximum award at 1.34%

For the 2010-2012 PSP awards the performance measures are relative TSR and RoRWA. For the 2011-2013 Barclays LTIP awards the performance measures are RoRWA, loan loss rate and sustainability metrics including customer satisfaction, employee opinion surveys and Barclays relationships with its regulators. TSR was selected to align performance with Barclays shareholders. RoRWA was selected because it is a primary determinant of return on equity, which is closely correlated with the price to book multiple at which Barclays shares trade, but cannot be influenced by leverage. Loan loss rate encourages strong management of credit risk. The sustainability metrics were chosen to align performance to the Citizenship execution priority (sustainability is now referred to as Citizenship).

Calibration of performance measures is agreed ahead of each award by the Committee supported by a working team with representatives from the human resources, strategy, finance and risk functions. This process includes an assessment of relevant data including financial targets, analyst forecasts, internal and external views of comparator future performance levels, shareholder views and broader economic trends. All performance measures are calibrated to include a significant level of stretch to attain maximum payout.

Participants may also receive dividend shares which represent accumulated dividends (net of withholding tax) in respect of the Barclays shares under awards that vest. During 2011 Barclays highest share price was £3.34 and the lowest was £1.39. The Barclays share price on 30 December 2011 was £1.76.

	Market price on release/ exercise date	Number of shares lapsed in 2011	Number of shares under award/option at 31 December 2011 (maximum)	Vested number of shares under option	Value of release/ exercise	End of three-year performance period, or first exercise/ scheduled release date	Last exercise/ scheduled release date
	£3.183				£3.71m	31/12/2008	01/03/2011
	£3.183	(1,692,525)			£1.08m	31/12/2010	01/03/2011
			5,563,902			31/12/2012	16/03/2013
		(102,680)	472,328	472,328		20/03/2005	22/03/2014
	£3.183		246,141		£7.81m	21/03/2012	20/03/2013
			850,524			07/05/2012	06/05/2014
			2,442,996			31/12/2013	06/05/2014
	£3.183	(451,340)			£0.29m	31/12/2010	01/03/2011
			1,598,046			31/12/2011	27/04/2012
			927,318			31/12/2012	16/03/2013
			3,735			01/11/2014	30/04/2015
			646,762	40,621		20/03/2011	16/03/2015
			195,439			07/05/2012	06/05/2014
			1,447,701			31/12/2013	06/05/2014

Note to Table 10: Interests shown are the maximum number of Barclays shares that may be received under each plan. Executive Directors do not pay for any share plan or long term incentive plan awards. Numbers

2011, nil cost options over 43,077 shares were granted to Chris Lucas. Chris Lucas did not hold any options under ESAS as at 1 January 2011, and held options over 43,077 shares as at 31 December 2011. The first shown for Executive Share Award Scheme (ESAS) represent provisional allocations that have been awarded and may also include shares under option as at 31 December 2011. Nil cost options are normally granted under mandatory ESAS awards at the third anniversary of grant and are exercisable (over initial allocation and two thirds of bonus shares) typically for two years. The aggregate exercise price of a nil cost option is £1. At the fifth anniversary of the provisional allocation the nil cost options normally lapse and the shares (including bonus shares) are released at the discretion of the ESAS trustee. In and last exercise dates were 1 March 2011 and 19 March 2013 respectively. Bob Diamond received 160,702 dividend shares from ESAS awards released in 2011 (market price on release date was £3.183). Bob Diamond received 232,702 dividend shares and Chris Lucas received 5,458 dividend shares from PSP awards released in 2011 (market price on release date was £3.183). Share Value Plan (SVP) awards do not have performance conditions as the awards are deferred share bonuses. Vesting of SVP awards is dependent on future service and subject to clawback provisions.

PSP awards: TSR peer group constituents				Actual
UK	Mainland Europe	US	Underpin	performance
			Following the determination of the RoRWA vesting percentage, the Committee may take into account profit before tax over the performance period and may, at its discretion, adjust the percentage of award up or down by up to 5 vesting percentage points (subject to the maximum of 60% for the award calibrated against RoRWA)	To be determined at vesting in May 2014
HSBC	Banco Santander, BBVA, BNP Paribas, Credit Suisse, Deutsche Bank, Société Générale, Unicredit	Bank of America, JP Morgan Chase, Morgan Stanley	Committee must be satisfied with the underlying financial health of the Group after considering economic profit and profit before tax on a cumulative basis over the three year period	To be determined at vesting in March 2013
HSBC, Lloyds Banking Group, Royal Bank of Scotland	Banco Santander, BBVA, BNP Paribas, Deutsche Bank, UBS, Unicredit	Citigroup, JP Morgan Chase	As above (2010-12)	Performance condition partially met

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Remuneration report continued

Shareholding guideline

The Committee s shareholding guideline provides that executive Directors should hold Barclays shares worth, as a minimum, the higher of two times salary and the average of total remuneration over the last three years. Executive Directors have five years from appointment to meet this guideline and a reasonable period to build up to the guideline again if it is not met because of a share price fall. The executive Directors interests in Barclays shares are set out in Table 13.

Service contracts

Barclays has service contracts with its executive Directors which do not have a fixed term but provide for a notice period of 12 months. The contracts allow for termination with contractual notice from Barclays or, in the alternative,

termination by way of payment in lieu of notice (in phased instalments) which are subject to contractual mitigation. In the event of termination for gross misconduct, neither notice nor a payment in lieu of notice will be given.

The Committee s approach when considering payments in the event of termination is to take account of the individual circumstances including the reason for termination, contractual obligations and cash, share and long term incentive plan and pension plan rules. The Committee does not intend to include automatic contractual bonus payments upon termination in relation to executive Director appointments going forward. Automatic contractual bonus payments upon termination are not included in Bob Diamond s contract. Details of the contract terms are shown in Table 14.

Table 13: Interests in Barclays PLC shares

	Number of shares at 1 January 2011		**Number of shares at 31 December 2011**	
	Beneficial	Non-beneficial	**Beneficial**	**Non-beneficial**
Bob Diamond	10,292,671		**13,197,895**	
Chris Lucas	188,476		**297,467**	

Note to Table 13: Beneficial interests include shares held either directly or through a nominee, spouse, or children under 18. They include any interests held through Sharepurchase. Non-beneficial interests include any interests in shares where an executive Director holds the legal, but not beneficial interest. There were no changes in the beneficial and non-beneficial interests in the period from 31 December 2011 to 2 March 2012.

Table 14: Contract terms

	Effective date	Notice period from the Company	Potential compensation for loss of office
Bob Diamond	1 January 2011	12 months	12 months salary and continuation of medical and pension benefits whilst an employee. No automatic contractual entitlement to bonus on termination

Chris Lucas	1 April 2007	12 months	12 months salary, bonus equivalent to the average of the previous three years bonuses (up to 100% of salary) and continuation of medical and pension benefits whilst an employee

Code Staff aggregate remuneration

Code Staff are the members of the Barclays PLC Board and Barclays employees whose professional activities could have a material impact on the Group s risk profile. A total of 238 individuals were Code Staff in 2011.

Table 15: Code Staff aggregate 2011 remuneration by business (£m)

arclays Capital	Barclays Corporate	Barclays Wealth	Retail & Business Banking	Absa	Group Functions
214	18	30	46	6	43

Table 16: Code Staff aggregate 2011 remuneration by remuneration type (£m)

	Senior management	Other Code Staff
Salary	10	50
Current year cash bonus	0	12
Current year share bonus	0	22
Deferred cash bonus	10	93
Deferred share bonus	16	97
Total	36	274
Long term incentive award (outcome contingent on future performance)	15	32

Table 17: Code Staff deferred remuneration (£m)

	Senior management	Other Code Staff
Deferred unvested remuneration outstanding at 31 December 2010	**135**	**471**
Impact of Code Staff leaving during 2010 or joining in 2011	(3)	(29)
Deferred unvested remuneration outstanding at 1 January 2011	**132**	**442**
Deferred remuneration awarded in 2011	57	349
Deferred remuneration reduced in 2011 through performance adjustments	(37)	(144)
Deferred remuneration vested in 2011	(23)	(69)
Deferred unvested remuneration outstanding at 31 December 2011	**129**	**578**

Table 18: Code Staff joining and severance payments (£m)

	Senior management	Other Code Staff
Total sign-on awards (one individual £0.1m (Other Code Staff))	0	0
Total buy-out awards (eight individuals)	3	3
Total severance awards (eight individuals)	0	5

Note to Tables 16 to 18: Senior management means members of the Barclays PLC Board and senior managers as defined in the FSA s Remuneration Code. Highest individual severance payment was £1.8m.

Note to Table 17: There was no deferred vested remuneration outstanding at the end of the year. Code Staff are subject to a minimum shareholding guideline.

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Group Chairman and non-executive Directors

The Group Chairman and the non-executive Directors receive fees which reflect individual responsibilities and membership of Board Committees. Fees are reviewed each year by the Board and for non-executive Directors were increased with effect from 1 May 2011. Prior to that, non-executive Director fees were last increased in June 2008. The Group Chairman's fees have not changed since his appointment.

The first £30,000 (2010: first £20,000) of the non-executive Directors' base fees is used to purchase Barclays shares which are retained on the non-executive Directors' behalf until they retire from the Board.

The Group Chairman has a minimum time commitment to Barclays equivalent to 60% of a full-time role. In addition to his fees he receives private medical insurance and he is provided with the use of a company vehicle and company driver when required for business purposes. The Group Chairman is not eligible to receive a bonus, nor to participate in Barclays cash, share or long term incentive plans. The Group Chairman does not participate in Barclays pension plans and he does not receive any pension contributions. No other non-executive Director receives any benefits from Barclays.

Membership and Chairmanship of Board Committees as at 31 December 2011 and details of the fees received during 2011 are set out in Table 19. Details of beneficial interests in Barclays shares are set out in Table 20.

Table 19: 2011 fees for the Group Chairman and non-executive Directors (audited)

	Chairman £000	Senior Indepen-dent Director £000	Board Member £000	Board Audit Com-mittee £000	Board Remu-neration Com-mittee £000	Board Corporate Gover-nance and Nomi-nations Com-mittee £000	Board Citizen-ship Com-mittee £000	Board Risk Com-mittee £000	Benefits £000	**Total 2011 £000**	Total 2010 £000
Fees at 31 December 2011											
Full-year fee	750	30	80								
Committee Chair				70	70			60			
Committee Member				30	30	15	15	25			
Fees to 31 December 2011											
Group Chairman											
Marcus Agius	Ch.				M.	Ch.	Ch.		1	**751**	751
Non-executive Directors											
David Booth			M.			M.		Ch.		**145**	125
Alison Carnwath			M.	M.	Ch.	M.				**158**	39
Fulvio Conti			M.	M.						**105**	95

Simon Fraser	M.	M.	M.		**130**	110
Reuben Jeffery III	M.			M.	**98**	85
Sir Andrew Likierman	M.	M.		M.		