

THIS PROSPECTUS AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (the "FSMA") if you are in the UK or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares (other than ex-rights) held in certificated form before 18 September 2013 (the "Ex-Rights Date") please send this Prospectus, together with any Provisional Allotment Letter, duly renounced, if and when received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations. If you sell or have sold or otherwise transferred all or some of your Existing Ordinary Shares (other than ex-rights) held in uncertificated form before the Ex-Rights Date, a claim transaction will automatically be generated by Euroclear UK which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares (other than ex-rights) held in certificated form before the Ex-Rights Date, you should refer to the instruction regarding split applications in Part II "Terms and Conditions of the Rights Issue" of this Prospectus and in the Provisional Allotment Letter, if and when received.

This Prospectus, which comprises a prospectus relating to the Rights Issue prepared in accordance with the Prospectus Rules made under section 73A of the FSMA, has been approved by the Financial Conduct Authority (the "FCA") in accordance with Section 85 of the FSMA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules. The Company has requested that the FCA provides a certificate of approval and a copy of this document (and a translated summary, where applicable) to the relevant competent authorities in Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain. The Existing Ordinary Shares are admitted to the premium listing segment of the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's main market for listed securities. Application has been made to the UK Listing Authority and to the London Stock Exchange for the New Ordinary Shares to be admitted to the premium listing segment of the Official List of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange, respectively. It is expected that Admission will become effective and that dealings in the New Ordinary Shares (nil paid) on the London Stock Exchange will commence at 8.00 a.m. (London time) on 18 September 2013.

BARCLAYS PLC

(incorporated and registered in England and Wales with registered number 48839)

1 for 4 Rights Issue of 3,219,067,868 New Ordinary Shares
at 185 pence per New Ordinary Share

Barclays Investment Bank
Global Co-ordinator and Joint Bookrunner

Credit Suisse
Sponsor, Joint Bookrunner
and Initial Underwriter

Deutsche Bank
Joint Bookrunner and
Initial Underwriter

BofA Merrill Lynch
Joint Bookrunner and
Initial Underwriter

Citigroup
Joint Bookrunner and
Initial Underwriter

Joint Bookrunners and Additional Underwriters

ABN AMRO
J.P. Morgan Cazenove

Banco Santander
MEDIOBANCA

BNP PARIBAS
Morgan Stanley

ING
RBC Capital Markets

SMBC Nikko

Your attention is drawn to Part I "Letter from the Chairman of Barclays PLC" which is set out on pages 54 to 62 of this Prospectus. You should read the whole of this Prospectus, the relevant Form (if applicable) and the documents (or parts thereof) incorporated herein by reference. Shareholders and any other persons contemplating a purchase of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares should review the risk factors set out on pages 22 to 37 of this Prospectus for a discussion of certain factors that should be considered when deciding on what action to take in relation to the Rights Issue and deciding whether or not to purchase the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares.

The latest time and date for acceptance and payment in full for the New Ordinary Shares by holders of the Nil Paid Rights is expected to be 11.59 p.m. on 2 October 2013 (in the event of acceptance or instruction by return of a Provisional Allotment Letter or a Sharestore Form of Instruction) or 2.00 p.m. on 2 October 2013 (in the event of acceptance by settlement of an MTM instruction in CREST). The procedures for delivery of the Nil Paid Rights, acceptance and payment are set out in Part II "Terms and Conditions of the Rights Issue" of this Prospectus and, for Qualifying Certificated Shareholders only, also in the relevant Form which is being despatched on 17 September 2013. Qualifying CREST Shareholders should refer to paragraph 2.2 of Part II "Terms and Conditions of the Rights Issue" of this Prospectus. If you have questions on the procedure for application and payment you should contact the Receiving Agent. The Receiving Agent cannot provide advice on the merits of the proposals or give any financial, legal or tax advice. Further information is set out in "Where to find help" on page iii.

Qualifying Certificated Shareholders are being sent a Form on 17 September 2013 and Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of the Nil Paid Rights to which they are entitled on as soon as practicable after 8.00 a.m. on 18 September 2013. The Nil Paid Rights so credited are expected to be enabled for settlement by Euroclear UK as soon as practicable after Admission.

The Underwriters and their respective affiliates may, acting as investors for their own account, in accordance with applicable legal and regulatory provisions, and subject to the provisions of the Underwriting Agreement, engage in transactions in relation to the Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and/or related instruments for the purpose of hedging their underwriting exposure or otherwise. Accordingly, references in this Prospectus to Nil Paid Rights, Fully Paid Rights or New Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their affiliates acting as investors for their own account. Except as required by applicable law or regulation, none of the Underwriters propose to make any public disclosure in relation to such transactions. In addition certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Shares.

The distribution of this Prospectus and/or any Form and/or the transfer of Nil Paid Rights, Fully Paid Rights and/or New Ordinary Shares into a jurisdiction other than the United Kingdom, Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain may be restricted by law and therefore persons into whose possession this Prospectus and/or any related documents comes should inform themselves about and observe any such restrictions. In particular, this Prospectus and the Forms should not be distributed, forwarded to or transmitted in, into or from any of the Excluded Territories or into any other jurisdiction where the extension or availability of the Rights Issue would breach any applicable law. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Prospectus is intended only for use in connection with the Rights Issue outside of the United States and Canada and is not to be given or sent, in whole or in part, to any person within the United States or Canada.

In the United States, the Rights Issue is being made pursuant to the US Prospectus. The US Prospectus is available for free on the SEC's website at www.sec.gov or by accessing Barclays' website at Barclays.com/rightsissue. If you have received this Prospectus and you are a US holder of Existing Ordinary Shares or a holder of ADSs wherever located, you should receive a notice informing you of how to access the US Prospectus electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the US Prospectus. Copies of the US Prospectus may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc., 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in the US).

In Canada, the Rights Issue is being made pursuant to a Canadian Offering Memorandum that incorporates by reference the US Prospectus. The Canadian Offering Memorandum is available for free by accessing Barclays' website at Barclays.com/rightsissue. If you have received this Prospectus and you are a holder in Canada of Existing Ordinary Shares or ADSs, you should receive a notice informing you of how to access the Canadian Offering Memorandum electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the Canadian Offering Memorandum. Copies of the Canadian Offering Memorandum may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc., 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in Canada).

Barclays Bank PLC, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Citigroup Global Markets Limited, Merrill Lynch International, J.P. Morgan Securities plc, RBC Europe Limited (trading as RBC Capital Markets), Morgan Stanley Securities Limited, which are each authorised by the Prudential Regulation Authority (the "PRA") and regulated by the FCA and the PRA in the United Kingdom, Credit Suisse AG, London Branch which is authorised and regulated by FINMA in Switzerland, authorised by the PRA in the United Kingdom and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom (details about the extent of Credit Suisse AG, London Branch's regulation by the PRA are available from Credit Suisse, AG London Branch on request) and Deutsche Bank AG which is authorised under German Banking Law (Competent authority: BaFin — Federal Financial Supervising Authority) and authorised and subject to limited regulation by the FCA in the United Kingdom, BNP Paribas which is authorised under French Banking Law (competent authority: Autorité de Contrôle Prudentiel), Banco Santander S.A. which is authorised under Spanish Banking Law (Competent authority: Bank of Spain and Comisión Nacional del Mercado de Valores), Mediobanca — Banca di Credito Finanziario S.p.A. which is authorised under Italian Banking Law (Competent authority: Banca D'Italia and Commissione Nazionale per le Società e la Borsa), ING Bank N.V. which is authorised under Dutch Banking Law (Competent authority: Autoriteit Financiële Markten and De Nederlandsche Bank) ABN AMRO Bank N.V. which is authorised under Dutch Banking Law (Competent authority: Autoriteit Financiële Markten and De Nederlandsche Bank) and SMBC Nikko Capital Markets Limited which is regulated by the FCA in the United Kingdom (together, the "Banks"), are acting exclusively for Barclays and are acting for no one else in connection with the Rights Issue and will not regard any other person as a client in relation to the Rights Issue and will not be responsible to anyone other than Barclays for providing the protections afforded to their respective clients, nor for providing advice in connection with the Rights Issue or any other matter, transaction or arrangement referred to herein.

Investors should only rely on the information contained in this Prospectus and the documents (or parts thereof) incorporated herein by reference. In making an investment decision, each investor must rely on their own examination, analysis and enquiry of Barclays and the terms of the Rights Issue, including the merits and risks involved. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and the documents (or parts thereof) incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been so authorised by Barclays or any of the Banks. Neither the delivery of this Prospectus nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Barclays since the date of this Prospectus or that the information in this Prospectus is correct as at any time subsequent to its date. Barclays will comply with its obligation to publish a supplementary prospectus containing further updated information if so required by law or by any regulatory authority but assumes no further obligation to publish additional information.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA, none of the Banks accept any responsibility whatsoever for, or make any representation or warranty, express or implied, for or in respect of the contents of this Prospectus, including its accuracy, completeness or verification or regarding the legality of an investment in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares by an offeree or purchaser thereof under the laws applicable to such offeree or purchaser or for any other statement made or purported to be made by it, or on its behalf, in connection with Barclays, or Nil Paid Rights, Fully Paid Rights, New Ordinary Shares or the Rights Issue, and nothing in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Each of the Banks accordingly disclaims to the fullest extent permitted by applicable law all and any responsibility and liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this Prospectus or any such statement.

None of Barclays or the Banks, or any of their respective representatives, is making any representation to any offeree or purchaser of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares regarding the legality of an investment in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares. The investors acknowledge that they have not relied on the Banks or any person affiliated with the Banks in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision.

Notice to all investors

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS OR INVESTORS IN THE EXCLUDED TERRITORIES. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, Nil Paid Rights, Fully Paid Rights or New Ordinary Shares offered by any person in any jurisdiction in which such an offer or solicitation is unlawful. The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares have not been and will not be registered under the relevant laws of any state, province or territory of any of the Excluded Territories and may not be offered, sold, taken up, exercised, renounced, resold, transferred or delivered, directly or indirectly, within any Excluded Territory except pursuant to an applicable exemption.

All Overseas Shareholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this Prospectus or any Form, if and when received, or other document to a jurisdiction outside the UK, should read paragraph 2.5 of Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus. Overseas Shareholders should also refer to the “*Important Information*” section of this Prospectus.

The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares are not transferable, except in accordance with, and the distribution of this Prospectus is subject to, the restrictions set out in paragraph 2.5 of Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained in this Prospectus for any purpose other than considering an investment in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares is prohibited. By accepting delivery of this Prospectus, each offeree of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares agrees to the foregoing.

General Notice

Nothing contained in this Prospectus is intended to constitute investment, legal, tax, accounting or other professional advice. This Prospectus is for your information only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice rendered on the basis of your situation.

The contents of the websites of the Group do not form part of this Prospectus.

Capitalised terms have the meanings ascribed to them in Part X “*Definitions*” of this Prospectus.

Certain information in relation to the Group is incorporated by reference into this Prospectus as set out in Part IX “*Information Incorporated by Reference*”.

Dated: 16 September 2013

WHERE TO FIND HELP

Some frequently asked questions and answers concerning the Rights Issue are set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet, which will be sent to Qualifying Shareholders and Qualifying Sharestore Members and which is also available at [Barclays.com/rightsissue](https://www.barclays.com/rightsissue).

If you have further questions, please telephone the Barclays Shareholder Helpline on the numbers set out below. This helpline is open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays).

Barclays Shareholder Helpline

0871 384 2711 (from inside the UK)

or +44 121 415 0094 (from outside the UK)

Calls to the 0871 number are charged at 8 pence per minute (excluding VAT) plus network extras. Calls to the Barclays Shareholder Helpline from outside the UK will be charged at an appropriate international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. Please note that the Barclays Shareholder Helpline operators cannot provide advice on the merits of the Rights Issue nor give financial, tax, investment or legal advice. The Barclays Shareholder Helpline operators can advise you on the choices that are available to you and the actions that you should take once you have decided what you wish to do.

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SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A-E (A.1 – E.7).

The summary contains all the Elements required to be included in a summary for this type of issuer and securities. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of issuer and securities, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “not applicable”.

Section A — Introduction and warnings

Element	Disclosure requirement	Disclosure
A.1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on a consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who are responsible for this summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Any consents to and conditions regarding use of this Prospectus	Not applicable. No consent has been given by the Company or any person responsible for drawing up this Prospectus to use this Prospectus for subsequent sale or final placement of securities by financial intermediaries.

Section B — Issuer

Element	Disclosure requirement	Disclosure
B.1	Legal name Commercial name	Barclays PLC (the “Company”) Barclays
B.2	Domicile and legal form of the issuer	The Company was incorporated in England and Wales on 20 July 1896 under the Companies Acts 1862 to 1890 as a company limited by shares and was reregistered in 1982 as a public limited company under the Companies Acts 1948 to 1980. The Company is registered under company number 48839. The Company was renamed Barclays PLC on 1 January 1985. The principal laws and legislation under which the Company operates and under which the Existing Ordinary Shares were created are laws of England and Wales including the Companies Act. The Company is domiciled in the UK. The registered office of the Company is at 1 Churchill Place, London E14 5HP (telephone number: +44 (0)20 7116 1000).

Element	Disclosure requirement	Disclosure
B.3	Nature of the issuer's current operations and its principal activities	Barclays is a major global financial services provider engaged in personal banking, credit cards, corporate and investment banking and wealth and investment management with an extensive international presence in Europe, the Americas, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and as at 31 December 2012 employed approximately 140,000 people.
B.4a	Significant recent trends	<p>The global economy continues to face an environment characterised by low growth. However, central banks in advanced economies have maintained highly accommodative policies, which have helped to support demand at a time of very pronounced fiscal tightening and balance sheet repair. Recent growth trends for advanced economies have shown some improvement, with encouraging signs for future economic activity visible in the UK, the US and Japan, while the Euro area appears to have moved out of recession and is currently experiencing reduced systemic financial stress. While growth prospects for emerging economies have been revised down for this year, on a longer term horizon the general direction of economic activity remains positive, supported by rising consumer demand and infrastructure spending.</p> <p>In recent months, many global equity markets have held on to the gains made in the first five months of the year, despite some volatility. Bond yields have risen since early May, reflecting increasing awareness that the US Federal Reserve is likely to embark upon a gradual tapering in the pace of its asset purchase programme during the autumn, which has caused some short term volatility in financial markets. In Europe, the Bank of England and European Central Bank have sought to give stronger forward guidance to indicate that they envisage that the eventual tightening in their target policy rates is likely to happen at a significantly later stage than has been expected by financial markets.</p> <p>The financial services industry continues to be the focus of significant regulatory change and scrutiny, which has led to increased operating costs and higher capital requirements within the European and US banking sectors.</p>
B.5	Group description	The Company is the ultimate holding company of the Group, the principal activities of which are financial services. Barclays is a major global financial services provider. Alongside its significant corporate and investment banking businesses, it also engages in wealth and investment management, personal banking and credit cards. The Company has the following significant subsidiaries and subsidiary undertakings (each of which is

Element	Disclosure requirement	Disclosure																																								
		<p>considered by the Company to be likely to have a significant effect on the assessment of its assets and liabilities, financial position or profits and losses):</p> <table border="1"> <thead> <tr> <th><u>Name of subsidiary undertaking</u></th> <th><u>Country of registration or incorporation</u></th> <th><u>% of holding of shares and voting rights</u></th> <th><u>Principal activities</u></th> </tr> </thead> <tbody> <tr> <td>Barclays Bank PLC</td> <td>England</td> <td>100</td> <td>Banking, holding company</td> </tr> <tr> <td>Barclays Bank Trust Company Limited</td> <td>England</td> <td>100</td> <td>Banking, asset management and trust services</td> </tr> <tr> <td>Barclays Capital Securities Limited</td> <td>England</td> <td>100</td> <td>Securities dealing</td> </tr> <tr> <td>Barclays Private Clients International Limited</td> <td>Isle of Man</td> <td>100*</td> <td>Banking</td> </tr> <tr> <td>Barclays Securities Japan Limited ...</td> <td>Japan</td> <td>100</td> <td>Securities dealing</td> </tr> <tr> <td>Barclays Africa Group Limited</td> <td>South Africa</td> <td>62.3</td> <td>Banking, holding company</td> </tr> <tr> <td>Barclays Bank S.A.U.</td> <td>Spain</td> <td>100*</td> <td>Banking</td> </tr> <tr> <td>Barclays Capital Inc.</td> <td>USA</td> <td>100</td> <td>Securities dealing</td> </tr> <tr> <td>Barclays Bank Delaware</td> <td>USA</td> <td>100</td> <td>US credit card issuer</td> </tr> </tbody> </table> <p>_____</p> <p>The country of registration or incorporation is also the principal area of operation of each of the above subsidiaries. Investments in subsidiaries held directly by Barclays Bank are marked *.</p>	<u>Name of subsidiary undertaking</u>	<u>Country of registration or incorporation</u>	<u>% of holding of shares and voting rights</u>	<u>Principal activities</u>	Barclays Bank PLC	England	100	Banking, holding company	Barclays Bank Trust Company Limited	England	100	Banking, asset management and trust services	Barclays Capital Securities Limited	England	100	Securities dealing	Barclays Private Clients International Limited	Isle of Man	100*	Banking	Barclays Securities Japan Limited ...	Japan	100	Securities dealing	Barclays Africa Group Limited	South Africa	62.3	Banking, holding company	Barclays Bank S.A.U.	Spain	100*	Banking	Barclays Capital Inc.	USA	100	Securities dealing	Barclays Bank Delaware	USA	100	US credit card issuer
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B.6	Major shareholders	<p>As at the Record Date (being the latest practicable date prior to publication of this Prospectus), the Company had been notified that the following persons hold directly or indirectly 3% or more of the voting rights of the Company which are notifiable under the Disclosure and Transparency Rules or will do so immediately following the Rights Issue:</p> <table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Number of Ordinary Shares as at the Record Date</u></th> <th><u>% of voting rights in respect of Ordinary Shares as at the Record Date</u></th> <th><u>Number of Ordinary Shares following the Rights Issue⁽¹⁾</u></th> <th><u>% of voting rights in respect of Ordinary Shares following the Rights Issue</u></th> </tr> </thead> <tbody> <tr> <td>Qatar Holding LLC</td> <td>813,964,552</td> <td>6.3%</td> <td>1,017,455,690</td> <td>6.3%</td> </tr> <tr> <td>BlackRock Inc⁽²⁾</td> <td>805,969,166</td> <td>6.3%</td> <td>1,007,461,457</td> <td>6.3%</td> </tr> <tr> <td>The Capital Group Companies Inc</td> <td>492,653,250</td> <td>3.8%</td> <td>615,816,562</td> <td>3.8%</td> </tr> </tbody> </table> <p>_____</p> <p>(1) Assumes no sale or purchase of any Ordinary Shares held by such Shareholders, that the Shareholders take up all of their rights to New Ordinary Shares pursuant to the Rights Issue and the Shareholders do not participate in any sub-underwriting.</p> <p>(2) Total shown includes 8,003,236 contracts for difference to which voting rights are attached.</p> <p>None of the Shareholders referred to above has different voting rights from any other holder of Ordinary Shares in respect of any Ordinary Shares held by them.</p> <p>The Company is not aware of any person who immediately following Admission directly or indirectly, jointly or severally, will own or could exercise control over the Company.</p>	<u>Name</u>	<u>Number of Ordinary Shares as at the Record Date</u>	<u>% of voting rights in respect of Ordinary Shares as at the Record Date</u>	<u>Number of Ordinary Shares following the Rights Issue⁽¹⁾</u>	<u>% of voting rights in respect of Ordinary Shares following the Rights Issue</u>	Qatar Holding LLC	813,964,552	6.3%	1,017,455,690	6.3%	BlackRock Inc ⁽²⁾	805,969,166	6.3%	1,007,461,457	6.3%	The Capital Group Companies Inc	492,653,250	3.8%	615,816,562	3.8%																				
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B.7	Key financial information and narrative description of significant changes to financial condition and operating results of the Group during or subsequent to the period covered by the historical financial information	<p>The selected historical financial information set out below relating to the Company has been extracted without material adjustment from the Company's historical financial information that is referred to in Part IV "Financial Information on Barclays" of this Prospectus and incorporated by reference in this Prospectus:</p> <table border="1"> <thead> <tr> <th rowspan="2">Key performance indicators</th> <th colspan="2">For the six months ended 30 June</th> <th colspan="4">For the year ended 31 December</th> </tr> <tr> <th>2013</th> <th>2012</th> <th>2012</th> <th>2011</th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>(Restated)</td> <td>(Restated)</td> <td>(Restated)</td> <td></td> </tr> <tr> <td>Net operating income* (£mn)</td> <td>13,526</td> <td>11,064</td> <td>21,669</td> <td>26,690</td> <td>26,690</td> <td>25,768</td> </tr> <tr> <td>Adjusted net operating income (£mn)</td> <td>13,440</td> <td>13,782</td> <td>26,021</td> <td>24,711</td> <td>24,711</td> <td>25,377</td> </tr> <tr> <td>Profit before tax* (£mn)</td> <td>1,677</td> <td>871</td> <td>797</td> <td>5,770</td> <td>5,879</td> <td>6,065</td> </tr> <tr> <td>Adjusted profit before tax (£mn)</td> <td>3,591</td> <td>4,339</td> <td>7,599</td> <td>5,482</td> <td>5,590</td> <td>5,707</td> </tr> <tr> <td>Return on average shareholders' equity</td> <td>2.6%</td> <td>0.6%</td> <td>(1.2%)</td> <td>5.9%</td> <td>5.8%</td> <td>7.2%</td> </tr> <tr> <td>Adjusted return on average shareholders' equity</td> <td>7.8%</td> <td>10.6%</td> <td>9.0%</td> <td>6.7%</td> <td>6.6%</td> <td>6.8%</td> </tr> <tr> <td>Cost: income ratio</td> <td>78%</td> <td>80%</td> <td>84%</td> <td>65%</td> <td>64%</td> <td>64%</td> </tr> <tr> <td>Adjusted cost: income ratio ...</td> <td>65%</td> <td>61%</td> <td>63%</td> <td>68%</td> <td>67%</td> <td>64%</td> </tr> <tr> <td>Core Tier 1 ratio</td> <td>11.1%</td> <td>10.7%</td> <td>10.8%</td> <td>11.0%</td> <td>11.0%</td> <td>10.8%</td> </tr> <tr> <td>Risk weighted assets (£bn) ...</td> <td>387</td> <td>390</td> <td>387</td> <td>391</td> <td>391</td> <td>398</td> </tr> </tbody> </table> <p>* Audited for the years ended 31 December. All other metrics are unaudited.</p> <p>Half year 2012 (restated) to half year 2013 (unaudited)</p> <p>Adjusted net operating income decreased 2% to £13,440 million, with income growth across the majority of businesses offset by cost of funding deposit growth across the Group.</p> <p>Net operating income increased 22% to £13,526 million due to the reduced impact of own credit gain of £86 million (2012: charge of £2,945 million).</p> <p>Adjusted profit before tax was down 17% to £3,591 million, driven by costs to achieve Transform of £640 million.</p> <p>Profit before tax increased £806 million to £1,677 million, including a £1,350 million (2012: £300 million) provision relating to PPI redress, a £650 million (2012: £450 million) provision relating to interest rate hedging products redress and an own credit gain of £86 million (2012: charge of £2,945 million).</p> <p>Adjusted return on average shareholders' equity decreased to 7.8% (2012: 10.6%), principally reflecting costs to achieve Transform.</p> <p>Return on average shareholders' equity increased to 2.6% (2012: 0.6%).</p> <p>The adjusted cost: income ratio increased to 65% (2012: 61%), largely due to costs to achieve Transform of £640 million.</p> <p>The cost: income ratio decreased to 78% (2012: 80%), primarily reflecting the non-recurrence of the own credit charge in 2012.</p> <p>The Core Tier 1 ratio increased to 11.1% from 10.7% and risk weighted assets remained broadly flat across the period.</p>	Key performance indicators	For the six months ended 30 June		For the year ended 31 December				2013	2012	2012	2011	2011	2010				(Restated)	(Restated)	(Restated)		Net operating income* (£mn)	13,526	11,064	21,669	26,690	26,690	25,768	Adjusted net operating income (£mn)	13,440	13,782	26,021	24,711	24,711	25,377	Profit before tax* (£mn)	1,677	871	797	5,770	5,879	6,065	Adjusted profit before tax (£mn)	3,591	4,339	7,599	5,482	5,590	5,707	Return on average shareholders' equity	2.6%	0.6%	(1.2%)	5.9%	5.8%	7.2%	Adjusted return on average shareholders' equity	7.8%	10.6%	9.0%	6.7%	6.6%	6.8%	Cost: income ratio	78%	80%	84%	65%	64%	64%	Adjusted cost: income ratio ...	65%	61%	63%	68%	67%	64%	Core Tier 1 ratio	11.1%	10.7%	10.8%	11.0%	11.0%	10.8%	Risk weighted assets (£bn) ...	387	390	387	391	391	398
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		<p>Full year 2011 (restated) to full year 2012 (restated)</p> <p>Net operating income declined £5,021 million to £21,669 million, primarily reflecting the movement in own credit from a £2,708 million gain in 2011 to a £4,579 million charge in 2012, partially offset by the non-recurrence of the BlackRock, Inc. investment impairment of £1,800 million in 2011.</p> <p>Adjusted net operating income increased £1,310 million to £26,021 million, reflecting increased income in the Investment Bank and a reduction in credit impairment charges.</p> <p>Profit before tax decreased £4,973 million to £797 million, primarily reflecting the movement in own credit from a £2,708 million gain in 2011 to a £4,579 million charge in 2012, non-recurrence of gains on debt buy-backs of £1,130 million in 2011, the increase in the PPI redress provision from £1,000 million in 2011 to £1,600 million in 2012 and the interest rate hedging products redress provision of £850 million (2011: £nil), partially offset by the non-recurrence of the BlackRock, Inc. investment impairment of £1,800 million, goodwill impairment of £597 million in 2011 and an increase in Investment Bank income.</p> <p>Adjusted profit before tax increased £2,117 million to £7,599 million, primarily reflecting increased income and reduced credit impairment charges and operating expenses.</p> <p>Return on average shareholders' equity declined to negative 1.2% from 5.9%, primarily reflecting the movement in own credit and PPI and interest rate hedging products redress provisions.</p> <p>Adjusted return on average shareholders' equity increased to 9.0% from 6.7%, primarily reflecting the increase in adjusted profit before tax.</p> <p>The cost: income ratio increased to 84% from 65%, primarily reflecting the movement in own credit and PPI and interest rate hedging products redress provisions.</p> <p>The adjusted cost: income ratio decreased to 63% from 68%, driven by increased income and reduced operating expenses.</p> <p>The Core Tier 1 ratio decreased to 10.8% from 11.0% and risk weighted assets remained broadly flat across the period.</p> <p>Full year 2010 to full year 2011</p> <p>Net operating income increased £922 million to £26,690 million, primarily reflecting a £2,317 million increase in own credit gain to £2,708 million and gains on debt buy-backs of £1,130 million (2010: £nil), partially offset by a £1,800 million (2010: £nil) impairment on the BlackRock, Inc. investment.</p> <p>Adjusted net operating income decreased £667 million to £24,711 million, principally reflecting a reduction in Investment Bank income, offset by improved credit impairment charges across all businesses. Income increased in most other businesses despite continued low interest rates and difficult macroeconomic conditions.</p>

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		<p>Profit before tax decreased £186 million to £5,879 million, due to an impairment on the BlackRock, Inc. investment of £1,800 million (2010: nil), a provision for PPI redress of £1,000 million (2010: £nil), goodwill impairment of £597 million (2010: £243 million) and reduced operating income, partially offset by the increased own credit gain to £2,708 million (2010: £391 million) and a gain on debt buy-backs of £1,130 million (2010: £nil).</p> <p>Adjusted profit before tax decreased £117 million to £5,590 million primarily due to a reduction in Investment Bank income, partially offset by a reduction in credit impairment charges and an increase in income across most businesses.</p> <p>Return on average shareholders' equity declined to 5.8% from 7.2%, primarily impacted by an increase in the effective tax rate, principally due to non-deductible charges arising on the impairment of BlackRock, Inc. and goodwill and the bank levy.</p> <p>Adjusted return on average shareholders' equity decreased to 6.6% from 6.8%, primarily reflecting the decrease in adjusted profit before tax.</p> <p>The cost: income ratio remained stable at 64%.</p> <p>The adjusted cost: income ratio increased to 67% from 64%, reflecting lower income, and the UK bank levy.</p> <p>The Core Tier 1 ratio increased to 11.0% from 10.8%.</p> <p>Income Statement</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">For the six months ended 30 June</th> <th colspan="3">For the year ended</th> </tr> <tr> <th>2013</th> <th>2012</th> <th>2012</th> <th>2011</th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>(Restated)</td> <td>(Restated)</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>(Unaudited)</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>(£mn)</td> <td></td> <td></td> </tr> <tr> <td>Net interest income</td> <td>5,577</td> <td>6,129</td> <td>11,654</td> <td>12,201</td> <td>12,201</td> <td>12,523</td> </tr> <tr> <td>Net fee and commission income</td> <td>4,396</td> <td>4,230</td> <td>8,536</td> <td>8,622</td> <td>8,622</td> <td>8,871</td> </tr> <tr> <td>Net Trading Income</td> <td>4,574</td> <td>1,609</td> <td>3,347</td> <td>7,660</td> <td>7,660</td> <td>8,078</td> </tr> <tr> <td>Net Investment Income</td> <td>417</td> <td>366</td> <td>844</td> <td>2,305</td> <td>2,305</td> <td>1,477</td> </tr> <tr> <td>Other Income</td> <td>193</td> <td>440</td> <td>628</td> <td>1,504</td> <td>1,504</td> <td>491</td> </tr> <tr> <td>Total Income</td> <td>15,157</td> <td>12,774</td> <td>25,009</td> <td>32,292</td> <td>32,292</td> <td>31,440</td> </tr> <tr> <td>Credit impairment charges and other provisions</td> <td>(1,631)</td> <td>(1,710)</td> <td>(3,340)</td> <td>(5,602)</td> <td>(5,602)</td> <td>(5,672)</td> </tr> <tr> <td>Net Operating income</td> <td>13,526</td> <td>11,064</td> <td>21,669</td> <td>26,690</td> <td>26,690</td> <td>25,768</td> </tr> <tr> <td>Operating expenses</td> <td>(11,781)</td> <td>(10,270)</td> <td>(21,012)</td> <td>(20,886)</td> <td>(20,777)</td> <td>(19,971)</td> </tr> <tr> <td>(Loss)/profit on disposal of undertakings and share of results of associates and joint ventures</td> <td>(68)</td> <td>77</td> <td>140</td> <td>(34)</td> <td>(34)</td> <td>268</td> </tr> <tr> <td>Profit before tax</td> <td>1,677</td> <td>871</td> <td>797</td> <td>5,770</td> <td>5,879</td> <td>6,065</td> </tr> <tr> <td>Taxation</td> <td>(594)</td> <td>(313)</td> <td>(616)</td> <td>(1,902)</td> <td>(1,928)</td> <td>(1,516)</td> </tr> <tr> <td>Profit after tax</td> <td>1,083</td> <td>558</td> <td>181</td> <td>3,868</td> <td>3,951</td> <td>4,549</td> </tr> </tbody> </table> <p>For further information on the key movements in the income statement, see the discussion in respect to the key performance indicators table (above).</p>		For the six months ended 30 June		For the year ended			2013	2012	2012	2011	2011	2010				(Restated)	(Restated)						(Unaudited)								(£mn)			Net interest income	5,577	6,129	11,654	12,201	12,201	12,523	Net fee and commission income	4,396	4,230	8,536	8,622	8,622	8,871	Net Trading Income	4,574	1,609	3,347	7,660	7,660	8,078	Net Investment Income	417	366	844	2,305	2,305	1,477	Other Income	193	440	628	1,504	1,504	491	Total Income	15,157	12,774	25,009	32,292	32,292	31,440	Credit impairment charges and other provisions	(1,631)	(1,710)	(3,340)	(5,602)	(5,602)	(5,672)	Net Operating income	13,526	11,064	21,669	26,690	26,690	25,768	Operating expenses	(11,781)	(10,270)	(21,012)	(20,886)	(20,777)	(19,971)	(Loss)/profit on disposal of undertakings and share of results of associates and joint ventures	(68)	77	140	(34)	(34)	268	Profit before tax	1,677	871	797	5,770	5,879	6,065	Taxation	(594)	(313)	(616)	(1,902)	(1,928)	(1,516)	Profit after tax	1,083	558	181	3,868	3,951	4,549
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<td>4,621</td> <td>4,656</td> <td>4,518</td> </tr> <tr> <td>Europe RBB</td> <td>352</td> <td>379</td> <td>708</td> <td>1,004</td> <td>1,226</td> <td>1,164</td> </tr> <tr> <td>Africa RBB</td> <td>1,352</td> <td>1,493</td> <td>2,928</td> <td>3,364</td> <td>3,571</td> <td>3,512</td> </tr> <tr> <td>Barclaycard</td> <td>2,343</td> <td>2,112</td> <td>4,344</td> <td>4,305</td> <td>4,095</td> <td>4,024</td> </tr> <tr> <td>Investment Bank</td> <td>6,473</td> <td>6,460</td> <td>11,775</td> <td>10,222</td> <td>10,335</td> <td>13,209</td> </tr> <tr> <td>Corporate Banking</td> <td>1,552</td> <td>1,583</td> <td>3,046</td> <td>3,315</td> <td>3,108</td> <td>3,162</td> </tr> <tr> <td>Wealth and Investment Management</td> <td>931</td> <td>894</td> <td>1,820</td> <td>1,770</td> <td>1,744</td> <td>1,560</td> </tr> <tr> <td>Head Office Functions and Other Operations</td> <td>(134)</td> <td>387</td> <td>356</td> <td>(88)</td> <td>(222)</td> <td>(100)</td> </tr> <tr> <td>Total</td> <td>15,071</td> <td>15,492</td> <td>29,361</td> <td>28,513</td> <td>28,513</td> <td>31,049</td> </tr> <tr> <td>Adjusting items*</td> <td>86</td> <td>(2,718)</td> <td>(4,352)</td> <td>3,779</td> <td>3,779</td> <td>391</td> </tr> <tr> <td>Total</td> <td>15,157</td> <td>12,774</td> <td>25,009</td> <td>32,292</td> <td>32,292</td> <td>31,440</td> </tr> </tbody> </table> <p>* Adjusting items primarily include the impact of own credit within Head Office Functions and Other Operations.</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">For the six months ended 30 June</th> <th colspan="4">For the year ended 31 December</th> </tr> <tr> <th>2013</th> <th>2012</th> <th>2012</th> <th>2011</th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="2"><i>(Unaudited)</i></td> <td><i>(Restated)</i></td> <td><i>(Restated)</i></td> <td><i>(Restated)</i></td> <td></td> </tr> <tr> <td></td> <td colspan="2"></td> <td colspan="4"><i>(£mn)</i></td> </tr> <tr> <td>Adjusted 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<td>(157)</td> <td>309</td> <td>189</td> <td>(136)</td> <td>(1,010)</td> <td>(692)</td> </tr> <tr> <td>Total</td> <td>3,591</td> <td>4,339</td> <td>7,599</td> <td>5,482</td> <td>5,590</td> <td>5,707</td> </tr> <tr> <td>Adjusting items</td> <td>(1,914)</td> <td>(3,468)</td> <td>(6,802)</td> <td>289</td> <td>289</td> <td>358</td> </tr> <tr> <td>Total</td> <td>1,677</td> <td>871</td> <td>797</td> <td>5,770</td> <td>5,879</td> <td>6,065</td> </tr> </tbody> </table>		For the six months ended 30 June		For the year ended 31 December				2013	2012	2012	2011	2011	2010		<i>(Unaudited)</i>		<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>					<i>(£mn)</i>				Adjusted total income net of insurance claims by business							UK RBB	2,202	2,184	4,384	4,621	4,656	4,518	Europe RBB	352	379	708	1,004	1,226	1,164	Africa RBB	1,352	1,493	2,928	3,364	3,571	3,512	Barclaycard	2,343	2,112	4,344	4,305	4,095	4,024	Investment Bank	6,473	6,460	11,775	10,222	10,335	13,209	Corporate Banking	1,552	1,583	3,046	3,315	3,108	3,162	Wealth and Investment Management	931	894	1,820	1,770	1,744	1,560	Head Office Functions and Other Operations	(134)	387	356	(88)	(222)	(100)	Total	15,071	15,492	29,361	28,513	28,513	31,049	Adjusting items*	86	(2,718)	(4,352)	3,779	3,779	391	Total	15,157	12,774	25,009	32,292	32,292	31,440		For the six months ended 30 June		For the year ended 31 December				2013	2012	2012	2011	2011	2010		<i>(Unaudited)</i>		<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>					<i>(£mn)</i>				Adjusted profit before tax by business							UK RBB	632	592	1,225	1,222	1,420	889	Europe RBB	(709)	(148)	(343)	(340)	(234)	(168)	Africa RBB	212	183	322	730	830	649	Barclaycard	775	751	1,482	1,212	1,208	791	Investment Bank	2,389	2,242	3,990	2,415	2,965	4,389	Corporate Banking	402	311	460	191	204	(314)	Wealth and Investment Management	47	99	274	188	207	163	Head Office Functions and Other Operations	(157)	309	189	(136)	(1,010)	(692)	Total	3,591	4,339	7,599	5,482	5,590	5,707	Adjusting items	(1,914)	(3,468)	(6,802)	289	289	358	Total	1,677	871	797	5,770	5,879	6,065
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		<p>Balance Sheet</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">As at 30 June</th> <th colspan="4">As at 31 December</th> </tr> <tr> <th>2013</th> <th>2012</th> <th>2012</th> <th>2011</th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>(Restated)</td> <td>(Restated)</td> <td>(Restated)</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>(Unaudited)</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>(£mn)</td> <td></td> <td></td> </tr> <tr> <td colspan="7">Assets</td> </tr> <tr> <td>Cash and balances at central banks</td> <td>72,720</td> <td>126,074</td> <td>86,191</td> <td>106,894</td> <td>106,894</td> <td>97,630</td> </tr> <tr> <td>Items in course of collection</td> <td>2,578</td> <td>2,598</td> <td>1,473</td> <td>1,812</td> <td>1,812</td> <td>1,384</td> </tr> <tr> <td>Trading portfolio assets</td> <td>151,981</td> <td>167,452</td> <td>146,352</td> <td>152,183</td> <td>152,183</td> <td>168,867</td> </tr> <tr> <td>Financial assets designated at fair value</td> <td>46,847</td> <td>46,761</td> <td>46,629</td> <td>36,949</td> <td>36,949</td> <td>41,485</td> </tr> <tr> <td>Derivative financial instruments</td> <td>403,072</td> <td>517,693</td> <td>469,156</td> <td>538,964</td> <td>538,964</td> <td>420,319</td> </tr> <tr> <td>Available for sale investments</td> <td>91,707</td> <td>68,925</td> <td>75,109</td> <td>68,491</td> <td>68,491</td> <td>65,110</td> </tr> <tr> <td>Loans and advances to banks</td> <td>46,451</td> <td>48,765</td> <td>40,462</td> <td>47,446</td> <td>47,446</td> <td>37,799</td> </tr> <tr> <td>Loans and advances to customer</td> <td>470,062</td> <td>452,744</td> <td>423,906</td> <td>431,934</td> <td>431,934</td> <td>427,942</td> </tr> <tr> <td>Reverse repurchase agreements and other similar secured lending</td> <td>222,881</td> <td>173,814</td> <td>176,522</td> <td>153,665</td> <td>153,665</td> <td>205,772</td> </tr> <tr> <td>Other assets</td> <td>24,434</td> <td>24,230</td> <td>22,535</td> <td>23,745</td> <td>25,189</td> <td>23,337</td> </tr> <tr> <td>Total assets</td> <td>1,532,733</td> <td>1,629,056</td> <td>1,488,335</td> <td>1,562,083</td> <td>1,563,527</td> <td>1,489,645</td> </tr> <tr> <td colspan="7">Liabilities</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>(£mn)</td> <td></td> <td></td> </tr> <tr> <td>Deposits from banks</td> <td>78,330</td> <td>94,467</td> <td>77,012</td> <td>91,116</td> <td>91,116</td> <td>77,975</td> </tr> <tr> <td>Items in course of collection</td> <td>1,542</td> <td>1,671</td> <td>1,587</td> <td>969</td> <td>969</td> <td>1,321</td> </tr> <tr> <td>Customer accounts</td> <td>460,264</td> <td>408,269</td> <td>385,411</td> <td>366,032</td> <td>366,032</td> <td>345,788</td> </tr> <tr> <td>Repurchase agreements and other similar secured borrowing</td> <td>259,539</td> <td>245,833</td> <td>217,178</td> <td>207,292</td> <td>207,292</td> <td>225,534</td> </tr> <tr> <td>Trading portfolio liabilities</td> <td>59,360</td> <td>51,747</td> <td>44,794</td> <td>45,887</td> <td>45,887</td> <td>72,693</td> </tr> <tr> <td>Financial liabilities designated at fair value</td> <td>71,274</td> <td>95,150</td> <td>78,561</td> <td>87,997</td> <td>87,997</td> <td>97,729</td> </tr> <tr> <td>Derivative financial instruments</td> <td>396,125</td> <td>507,712</td> <td>462,721</td> <td>527,910</td> <td>527,910</td> <td>405,516</td> </tr> <tr> <td>Debt securities in issue</td> <td>102,946</td> <td>124,901</td> <td>119,525</td> <td>129,736</td> <td>129,736</td> <td>156,623</td> </tr> <tr> <td>Other Liabilities</td> <td>43,216</td> <td>38,886</td> <td>41,560</td> <td>41,185</td> <td>41,392</td> <td>44,204</td> </tr> <tr> <td>Total liabilities</td> <td>1,472,596</td> <td>1,568,636</td> <td>1,428,349</td> <td>1,498,124</td> <td>1,498,331</td> <td>1,427,383</td> </tr> <tr> <td>Shareholders' equity excluding non-controlling interests</td> <td>51,083</td> <td>50,935</td> <td>50,615</td> <td>54,352</td> <td>55,589</td> <td>50,858</td> </tr> <tr> <td>Non-controlling interests</td> <td>9,054</td> <td>9,485</td> <td>9,371</td> <td>9,607</td> <td>9,607</td> <td>11,404</td> </tr> <tr> <td>Total shareholders' equity</td> <td>60,137</td> <td>60,420</td> <td>59,986</td> <td>63,959</td> <td>65,196</td> <td>62,262</td> </tr> </tbody> </table> <p>Total assets increased by £43 billion (3%) between 31 December 2010 and 30 June 2013. The increase is principally due to an increase in loans and advances resulting from higher settlement balances in the Investment Bank, the acquisition of ING Direct and increased retail lending in UK Retail and Business Banking and Barclaycard.</p> <p>Total liabilities increased by £45 billion (3%) between 31 December 2010 and 30 June 2013. The increase was principally due to an increase in customer accounts of £114 billion driven by strong customer deposit growth across the Group as well as an increase in settlement balances within the Investment Bank. This increase was partially offset by a reduction in debt securities in issue of £54 billion due to managed changes in the funding composition.</p> <p>Shareholders' equity at 30 June 2013 was £60.1 billion. Shareholders' equity excluding non-controlling interests has increased £0.2 billion between 31 December 2010 and 30 June 2013, principally due to a £1.5 billion increase in share capital during 2013 including the exercise of warrants, a £1.8 billion increase due to positive available for sale reserve movement, largely offset by a £2.5 billion decrease due to the recognition of actuarial losses arising from defined benefit pension schemes following the adoption of IAS19 (Revised 2011). This increase has been offset by a decrease in non-controlling interests of</p>		As at 30 June		As at 31 December				2013	2012	2012	2011	2011	2010				(Restated)	(Restated)	(Restated)					(Unaudited)								(£mn)			Assets							Cash and balances at central banks	72,720	126,074	86,191	106,894	106,894	97,630	Items in course of collection	2,578	2,598	1,473	1,812	1,812	1,384	Trading portfolio assets	151,981	167,452	146,352	152,183	152,183	168,867	Financial assets designated at fair value	46,847	46,761	46,629	36,949	36,949	41,485	Derivative financial instruments	403,072	517,693	469,156	538,964	538,964	420,319	Available for sale investments	91,707	68,925	75,109	68,491	68,491	65,110	Loans and advances to banks	46,451	48,765	40,462	47,446	47,446	37,799	Loans and advances to customer	470,062	452,744	423,906	431,934	431,934	427,942	Reverse repurchase agreements and other similar secured lending	222,881	173,814	176,522	153,665	153,665	205,772	Other assets	24,434	24,230	22,535	23,745	25,189	23,337	Total assets	1,532,733	1,629,056	1,488,335	1,562,083	1,563,527	1,489,645	Liabilities											(£mn)			Deposits from banks	78,330	94,467	77,012	91,116	91,116	77,975	Items in course of collection	1,542	1,671	1,587	969	969	1,321	Customer accounts	460,264	408,269	385,411	366,032	366,032	345,788	Repurchase agreements and other similar secured borrowing	259,539	245,833	217,178	207,292	207,292	225,534	Trading portfolio liabilities	59,360	51,747	44,794	45,887	45,887	72,693	Financial liabilities designated at fair value	71,274	95,150	78,561	87,997	87,997	97,729	Derivative financial instruments	396,125	507,712	462,721	527,910	527,910	405,516	Debt securities in issue	102,946	124,901	119,525	129,736	129,736	156,623	Other Liabilities	43,216	38,886	41,560	41,185	41,392	44,204	Total liabilities	1,472,596	1,568,636	1,428,349	1,498,124	1,498,331	1,427,383	Shareholders' equity excluding non-controlling interests	51,083	50,935	50,615	54,352	55,589	50,858	Non-controlling interests	9,054	9,485	9,371	9,607	9,607	11,404	Total shareholders' equity	60,137	60,420	59,986	63,959	65,196	62,262
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Shareholders' equity excluding non-controlling interests	51,083	50,935	50,615	54,352	55,589	50,858																																																																																																																																																																																																																											
Non-controlling interests	9,054	9,485	9,371	9,607	9,607	11,404																																																																																																																																																																																																																											
Total shareholders' equity	60,137	60,420	59,986	63,959	65,196	62,262																																																																																																																																																																																																																											

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		<p>£2.3 billion between 31 December 2010 and 30 June 2013 principally due to the buy back in 2011 issued by Barclays Bank, of £1.4 billion of Reserve Capital Instruments.</p> <p>Cash Flow Statement</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">For the six months ended 30 June</th> <th colspan="4">For the year ended 31 December</th> </tr> <tr> <th>2013</th> <th>2012</th> <th>2012</th> <th>2011</th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>(Restated)</td> <td>(Restated)</td> <td>(Restated)</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>(Unaudited)</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>(£mn)</td> <td></td> <td></td> </tr> <tr> <td>Net cash from operating activities</td> <td>10,868</td> <td>31,086</td> <td>(13,667)</td> <td>29,079</td> <td>29,079</td> <td>18,686</td> </tr> <tr> <td>Net cash from investing activities</td> <td>(16,628)</td> <td>(2,150)</td> <td>(7,157)</td> <td>(1,912)</td> <td>(1,912)</td> <td>(5,627)</td> </tr> <tr> <td>Net cash from financing activities</td> <td>(1,212)</td> <td>(3,861)</td> <td>(2,842)</td> <td>(5,961)</td> <td>(5,961)</td> <td>159</td> </tr> <tr> <td>Effect of exchange rates on cash and cash equivalents</td> <td>3,323</td> <td>(2,428)</td> <td>(4,111)</td> <td>(2,933)</td> <td>(2,933)</td> <td>3,842</td> </tr> <tr> <td>Net (decrease)/ increase in cash and cash equivalents</td> <td>(3,649)</td> <td>22,647</td> <td>(27,777)</td> <td>18,273</td> <td>18,273</td> <td>17,060</td> </tr> </tbody> </table> <p>Net cash flows used in operating activities for the year ended 31 December 2012 amounted to £13,667 million (restated). The net cash flows generated by operating activities for the year ended 31 December 2011 amounted to £29,079 million (restated). The net cash flows generated by operating activities for the year ended 31 December 2010 amounted to £18,686 million. The 31 December 2012 decrease in cash generated (a net cash used position) was materially due to an increase in reverse repurchase lending. The 31 December 2011 increase in cash generated was materially due to a decrease in reverse repurchase agreements and other similar lending.</p> <p>The net cash flows generated by operating activities for the six months ended 30 June 2013 amounted to £10,868 million. The net cash flows from operating activities for the six months ended 30 June 2012 amounted to £31,086 million (restated). The 30 June 2013 decrease in cash generated was materially due to an increase in loans and advances to banks and customers and an increase in reverse repurchase agreements and similar lending.</p> <p>Net cash flows used in investing activities for the year ended 31 December 2012 increased by 274% to £7,157 million (restated) from £1,912 million (restated) in the same period in 2011, which in turn represented a decrease of 66% from £5,627 million in 2010. The 31 December 2012 increase in net cash used was due to cash outflows from the purchase of available for sale investments. The 31 December 2011 decrease in net cash used was due to lower cash outflows as proceeds from available for sale disposals offset purchases to a greater extent than in the same period in 2010.</p> <p>Net cash flows used in investing activities for the six months ended 30 June 2013 increased by 673% to £16,628 million from £2,150 million (restated) in the same period in 2012. The 30 June 2013 increase in net cash used was due to cash outflows from the purchase of available for sale investments and a reduction in the proceeds from available for sale investments.</p> <p>Net cash used in financing activities for the year ended 31 December 2012 decreased by 52% to £2,842 million from £5,961 million in</p>		For the six months ended 30 June		For the year ended 31 December				2013	2012	2012	2011	2011	2010				(Restated)	(Restated)	(Restated)					(Unaudited)								(£mn)			Net cash from operating activities	10,868	31,086	(13,667)	29,079	29,079	18,686	Net cash from investing activities	(16,628)	(2,150)	(7,157)	(1,912)	(1,912)	(5,627)	Net cash from financing activities	(1,212)	(3,861)	(2,842)	(5,961)	(5,961)	159	Effect of exchange rates on cash and cash equivalents	3,323	(2,428)	(4,111)	(2,933)	(2,933)	3,842	Net (decrease)/ increase in cash and cash equivalents	(3,649)	22,647	(27,777)	18,273	18,273	17,060
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Element	Disclosure requirement	Disclosure
		<p>2011, whereas net cash flows from financing activities in 2010 were £159 million. The 31 December 2012 decrease in net cash used was due to higher proceeds from borrowings and lower repayments of subordinated debt borrowings. The 31 December 2011 increase in net cash used was due to higher subordinated debt repayments and the redemption of shares.</p> <p>Net cash used in financing activities for the six months ended 30 June 2013 decreased by 69% to £1,212 million compared with £3,861 million for the same period in 2012. The 30 June 2013 decrease was due to a net issue of shares and other equity instruments and lower repayments on subordinated debt than in the same period in 2012.</p> <p>Current trading and prospects</p> <p>Consistent with the Interim Results, Barclays continues to remain cautious about the environment in which it operates and its focus remains on costs, capital, leverage and returns in order to drive sustainable performance improvements.</p> <p>The Group's adjusted income for July and August 2013 was £0.5 billion lower than in the comparable period in 2012. As a result, the Group's adjusted income for the eight month period to 31 August 2013 was down 5% compared with those months in 2012. Adjusted income for the Group, excluding the Investment Bank, for July and August 2013 was broadly flat versus those months in 2012. Income in the Investment Bank for July and August 2013 was significantly below those months in 2012, with lower income in FICC partially offset by growth in Equities and Prime Services. The daily income run rate in the Investment Bank in the current month to 12 September 2013 (being the latest practicable date prior to the publication of this Prospectus) was moderately ahead of the daily income run rate for the months of July and August 2013 and below that for September 2012.</p> <p>Group impairments in July and August 2013 were broadly consistent with those months in 2012 and Barclays continues to observe similar trends to those seen in the six month period ended 30 June 2013 with delinquency rates stable, a low, stable annualised Loan Loss Rate below the Group's long term average, and improvements in wholesale lending reflecting lower impairment charges in Europe.</p> <p>Cost control remains a critical component for Barclays to achieve its commitments, with an expectation of £1.2 billion of Costs to Achieve ("CTA") Transform in 2013, reflecting the acceleration of £200 million of the £2.7 billion total as previously disclosed and having recognised £640 million during the six months ended 30 June 2013 on restructuring and investment, predominantly in the Investment Bank and Europe Retail and Business Banking. Barclays remains focused on cost efficiency and is on track to meet the £18.5 billion cost target, excluding CTA, for 2013.</p>
B.8	Key pro forma financial information	<p>The unaudited pro forma financial information has been prepared to show the effects of the receipt of the net proceeds on Barclays' assets and liabilities, and certain capital ratios of the Group, as if the net proceeds had been received on 30 June 2013.</p> <p>This information, which is produced for illustrative purposes only, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results following the Rights Issue.</p>

Element	Disclosure requirement	Disclosure																																																																																																																																																																																						
		<p>The unaudited pro forma financial information has been presented under the accounting policies of the Company.</p> <p>The unaudited pro forma financial information has been prepared on the basis set out in the notes below and in accordance with item 20.2 of Annex I to the Prospectus Directive. No account has been taken of any other results, other trading, or other activity of the Group for the period subsequent to 30 June 2013.</p> <p>Unaudited pro forma financial information as at 30 June 2013</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Adjustment</th> <th rowspan="2">Pro forma</th> </tr> <tr> <th>Barclays PLC⁽¹⁾</th> <th>Rights Issue⁽²⁾</th> </tr> <tr> <th></th> <th>(Unaudited)</th> <th>(£mn)</th> <th></th> </tr> </thead> <tbody> <tr> <td colspan="4">Assets</td> </tr> <tr> <td>Cash and balances at central banks</td> <td>72,720</td> <td>5,823</td> <td>78,543</td> </tr> <tr> <td>Items in the course of collection from other banks</td> <td>2,578</td> <td>—</td> <td>2,578</td> </tr> <tr> <td>Trading portfolio assets</td> <td>151,981</td> <td>—</td> <td>151,981</td> </tr> <tr> <td>Financial assets designated at fair value</td> <td>46,847</td> <td>—</td> <td>46,847</td> </tr> <tr> <td>Derivative financial instruments</td> <td>403,072</td> <td>—</td> <td>403,072</td> </tr> <tr> <td>Loans and advances to banks</td> <td>46,451</td> <td>—</td> <td>46,451</td> </tr> <tr> <td>Loans and advances to customers</td> <td>470,062</td> <td>—</td> <td>470,062</td> </tr> <tr> <td>Reverse repurchase agreements and other similar secured lending</td> <td>222,881</td> <td>—</td> <td>222,881</td> </tr> <tr> <td>Available for sale investments</td> <td>91,707</td> <td>—</td> <td>91,707</td> </tr> <tr> <td>Current and deferred tax assets</td> <td>4,697</td> <td>—</td> <td>4,697</td> </tr> <tr> <td>Prepayments, accrued income and other assets</td> <td>5,579</td> <td>—</td> <td>5,579</td> </tr> <tr> <td>Investments in associates and joint ventures</td> <td>591</td> <td>—</td> <td>591</td> </tr> <tr> <td>Goodwill and intangible assets</td> <td>7,849</td> <td>—</td> <td>7,849</td> </tr> <tr> <td>Property, plant and equipment</td> <td>5,618</td> <td>—</td> <td>5,618</td> </tr> <tr> <td>Retirement benefit assets</td> <td>100</td> <td>—</td> <td>100</td> </tr> <tr> <td>Total Assets</td> <td>1,532,733</td> <td>5,823</td> <td>1,538,556</td> </tr> <tr> <td colspan="4">Liabilities</td> </tr> <tr> <td>Deposits from banks</td> <td>78,330</td> <td>—</td> <td>78,330</td> </tr> <tr> <td>Items in the course of collection due to other banks</td> <td>1,542</td> <td>—</td> <td>1,542</td> </tr> <tr> <td>Customer accounts</td> <td>460,264</td> <td>—</td> <td>460,264</td> </tr> <tr> <td>Repurchase agreements and other similar secured borrowing</td> <td>259,539</td> <td>—</td> <td>259,539</td> </tr> <tr> <td>Trading portfolio liabilities</td> <td>59,360</td> <td>—</td> <td>59,360</td> </tr> <tr> <td>Financial liabilities designated at fair value</td> <td>71,274</td> <td>—</td> <td>71,274</td> </tr> <tr> <td>Derivative financial instruments</td> <td>396,125</td> <td>—</td> <td>396,125</td> </tr> <tr> <td>Debt securities in issue</td> <td>102,946</td> <td>—</td> <td>102,946</td> </tr> <tr> <td>Accruals, deferred income and other liabilities</td> <td>13,738</td> <td>—</td> <td>13,738</td> </tr> <tr> <td>Current and deferred tax liabilities</td> <td>982</td> <td>—</td> <td>982</td> </tr> <tr> <td>Subordinated liabilities</td> <td>22,641</td> <td>—</td> <td>22,641</td> </tr> <tr> <td>Provisions</td> <td>4,425</td> <td>—</td> <td>4,425</td> </tr> <tr> <td>Retirement benefit liabilities</td> <td>1,430</td> <td>—</td> <td>1,430</td> </tr> <tr> <td>Total Liabilities</td> <td>1,472,596</td> <td>—</td> <td>1,472,596</td> </tr> <tr> <td>Total Net Assets</td> <td>60,137</td> <td>5,823</td> <td>65,960</td> </tr> <tr> <td colspan="4">Key Capital and Leverage Measures⁽³⁾</td> </tr> <tr> <td>Risk Weighted Assets (Basel 2.5)</td> <td>387,230</td> <td>—</td> <td>387,230</td> </tr> <tr> <td>Core Tier 1 Capital (FSA 2009)</td> <td>42,943</td> <td>5,823</td> <td>48,766</td> </tr> <tr> <td>Core Tier 1 Capital Ratio (FSA 2009/Basel 2.5)</td> <td>11.1%</td> <td>—</td> <td>12.6%</td> </tr> <tr> <td>Risk Weighted Assets (CRD IV)</td> <td>471,462</td> <td>—</td> <td>471,462</td> </tr> <tr> <td>Fully loaded CET 1 capital</td> <td>38,059</td> <td>5,823</td> <td>43,882</td> </tr> <tr> <td>Fully loaded CET 1 capital ratio</td> <td>8.1%</td> <td>—</td> <td>9.3%</td> </tr> <tr> <td>CRD IV Leverage Exposure</td> <td>1,559,000</td> <td>5,823</td> <td>1,564,823</td> </tr> <tr> <td>Fully loaded Tier 1 Capital</td> <td>38,263</td> <td>5,823</td> <td>44,086</td> </tr> <tr> <td>CRD IV Leverage Ratio</td> <td>2.5%</td> <td>—</td> <td>2.8%</td> </tr> </tbody> </table> <p>Notes:</p> <p>1. Basis of Preparation</p> <p>The financial information has been extracted without material adjustment from the Company's unaudited condensed consolidated historical financial information for the six month period ended 30 June 2013.</p> <p>No account has been taken of the trading activity or other transactions of the Group which have occurred since 30 June 2013.</p>		Adjustment		Pro forma	Barclays PLC ⁽¹⁾	Rights Issue ⁽²⁾		(Unaudited)	(£mn)		Assets				Cash and balances at central banks	72,720	5,823	78,543	Items in the course of collection from other banks	2,578	—	2,578	Trading portfolio assets	151,981	—	151,981	Financial assets designated at fair value	46,847	—	46,847	Derivative financial instruments	403,072	—	403,072	Loans and advances to banks	46,451	—	46,451	Loans and advances to customers	470,062	—	470,062	Reverse repurchase agreements and other similar secured lending	222,881	—	222,881	Available for sale investments	91,707	—	91,707	Current and deferred tax assets	4,697	—	4,697	Prepayments, accrued income and other assets	5,579	—	5,579	Investments in associates and joint ventures	591	—	591	Goodwill and intangible assets	7,849	—	7,849	Property, plant and equipment	5,618	—	5,618	Retirement benefit assets	100	—	100	Total Assets	1,532,733	5,823	1,538,556	Liabilities				Deposits from banks	78,330	—	78,330	Items in the course of collection due to other banks	1,542	—	1,542	Customer accounts	460,264	—	460,264	Repurchase agreements and other similar secured borrowing	259,539	—	259,539	Trading portfolio liabilities	59,360	—	59,360	Financial liabilities designated at fair value	71,274	—	71,274	Derivative financial instruments	396,125	—	396,125	Debt securities in issue	102,946	—	102,946	Accruals, deferred income and other liabilities	13,738	—	13,738	Current and deferred tax liabilities	982	—	982	Subordinated liabilities	22,641	—	22,641	Provisions	4,425	—	4,425	Retirement benefit liabilities	1,430	—	1,430	Total Liabilities	1,472,596	—	1,472,596	Total Net Assets	60,137	5,823	65,960	Key Capital and Leverage Measures⁽³⁾				Risk Weighted Assets (Basel 2.5)	387,230	—	387,230	Core Tier 1 Capital (FSA 2009)	42,943	5,823	48,766	Core Tier 1 Capital Ratio (FSA 2009/Basel 2.5)	11.1%	—	12.6%	Risk Weighted Assets (CRD IV)	471,462	—	471,462	Fully loaded CET 1 capital	38,059	5,823	43,882	Fully loaded CET 1 capital ratio	8.1%	—	9.3%	CRD IV Leverage Exposure	1,559,000	5,823	1,564,823	Fully loaded Tier 1 Capital	38,263	5,823	44,086	CRD IV Leverage Ratio	2.5%	—	2.8%
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		<p>2. Rights Issue Adjustment</p> <p>The adjustment of £5.823 billion comprises the gross proceeds of the 1 for 4 Rights Issue of 3,219,067,868 New Ordinary Shares at 185 pence per New Ordinary Share (£5.955 billion) less expenses expected to be incurred in connection with the Rights Issue of £0.132 billion (inclusive of VAT).</p> <p>The net proceeds of £5.823 billion are included in the adjustment for the purposes of CET 1 capital and Tier 1 Capital. Further, the net proceeds are also included in CRD IV Leverage Exposure due to the increased amount of cash included on the balance sheet.</p> <p>3. Key Capital and Leverage Measures</p> <p>The key balance sheet measures include unaudited pro forma regulatory capital ratios of the Group before and immediately after the Rights Issue as if it had occurred on 30 June 2013. The 30 June 2013 historical unadjusted amounts and ratios have been extracted from the Company's unaudited condensed consolidated historical financial information for the six month period ended 30 June 2013.</p> <p>For the purpose of calculating risk weighted assets, the information presented assumes proceeds of the Rights Issue are held at a 0% risk weight.</p> <p>Barclays has estimated the fully loaded CET 1 capital and CET 1 capital ratio, CRD IV Leverage Ratio, CRD IV Leverage Exposure and Risk Weighted Assets based on the final CRD IV text assuming the rules applied at 30 June 2013 without transitional benefits. The final impact of CRD IV is dependent on technical standards to be finalised by the European Banking Authority and on the final UK implementation of the rules. Barclays' interpretation of CRD IV and the basis of calculation of CRD IV measures may be different from those of other institutions.</p> <p>4. Other Notes</p> <p>The estimated fully loaded CET 1 capital ratio and the estimated CRD IV Leverage Ratio in the table above exclude the impact of certain PRA adjustments which need to be applied when comparing the ratios to the PRA target ratios of 7.0% for the fully loaded CET 1 ratio and 3.0% for the PRA Leverage Ratio. At June 2013, these adjustments amounted to a £24.7 billion increase in Risk Weighted Assets in the case of the PRA adjusted fully loaded CET 1 capital ratio and a £4.1 billion reduction in CET 1 capital (representing a deduction for future losses) in the calculation of both the CET 1 capital ratio and the PRA Leverage Ratio.</p> <p>The result of the PRA Adjustments above is a reduction in the estimated fully loaded CET 1 capital ratio including the impact of the Rights Issue from 9.3% to 8.0%.</p> <p>The PRA Leverage Ratio in the table below includes the impact of PRA Adjustments resulting in a leverage ratio of 2.2% pre-Rights Issue and 2.5% post-Rights Issue respectively.</p> <table border="1"> <thead> <tr> <th></th> <th>Barclays PLC</th> <th>Rights Issue proceeds</th> <th>Post-Rights Issue</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center;">(£mn)</td> </tr> <tr> <td>CRD IV Leverage Exposure</td> <td>1,559,000</td> <td>5,823</td> <td>1,564,823</td> </tr> <tr> <td>Fully loaded CET 1 capital</td> <td>38,059</td> <td>5,823</td> <td>43,882</td> </tr> <tr> <td>PRA Adjustments</td> <td>(4,100)</td> <td>—</td> <td>(4,100)</td> </tr> <tr> <td>Fully loaded CET1 capital for the purposes of the PRA Leverage Ratio</td> <td>33,959</td> <td>5,823</td> <td>39,782</td> </tr> <tr> <td>PRA Leverage Ratio</td> <td>2.2%</td> <td></td> <td>2.5%</td> </tr> </tbody> </table>		Barclays PLC	Rights Issue proceeds	Post-Rights Issue			(£mn)		CRD IV Leverage Exposure	1,559,000	5,823	1,564,823	Fully loaded CET 1 capital	38,059	5,823	43,882	PRA Adjustments	(4,100)	—	(4,100)	Fully loaded CET1 capital for the purposes of the PRA Leverage Ratio	33,959	5,823	39,782	PRA Leverage Ratio	2.2%		2.5%
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B.9	Profit forecast or estimate	Not applicable. No profit forecast or estimate made.																												
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. There are no qualifications to the audit report on the historical financial information.																												

Element	Disclosure requirement	Disclosure
B.11	Insufficient working capital	Not applicable. The Company is of the opinion that, taking into account the net Underwritten Proceeds and existing cash resources available to the Group, the Group has sufficient working capital for its present requirements, that is, for at least the 12 months following the date of publication of this Prospectus.

Section C — Securities

Element	Disclosure requirement	Disclosure
C.1	Type and class of securities	The Rights Issue is being made to all Shareholders on the register of members of the Company at close of business on the Record Date. Pursuant to the Rights Issue, the Company is proposing to offer 3,219,067,868 New Ordinary Shares to Qualifying Shareholders at 185 pence per New Ordinary Share. When admitted to trading, the New Ordinary Shares will be registered with ISIN number GB0031348658 and SEDOL number 3134865. The ISIN number for the Nil Paid Rights is GB00BCRY6Q68 and the ISIN number for the Fully Paid Rights is GB00BCRY6S82.
C.2	Currency	Pounds Sterling.
C.3	Number of shares issued	On the Record Date (being the last practicable date prior to the publication of this Prospectus), the Company had 12,876,271,472 Ordinary Shares of 25 pence each (fully paid) and the nominal share capital of the Company amounted to £3,219,067,868.
C.4	Description of the rights attached to the securities	The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares.
C.5	Description of any restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the Ordinary Shares.
C.6	Admission	Application has been made to the FCA and to the London Stock Exchange for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities respectively. It is expected that Admission (nil paid and fully paid) will become effective on 18 September 2013 and that dealings in New Ordinary Shares will commence, nil paid, as soon as practicable after 8.00 a.m. on that date.
C.7	Dividend policy	The Company anticipates maintaining a dividend payout for the remainder of 2013 such that the total annual dividend per share in 2013 will be the same as the total annual dividend per share in 2012. The Board also expects that the combination of capital generation through retention of earnings and execution of the Leverage Plan will result in significantly higher levels of capital by December 2015. Accordingly, the Board expects to adopt a dividend policy of a 40-50% dividend payout ratio from 2014. The dividend payout ratio will be calculated as a proportion of adjusted earnings per share, as determined by the Board.

Element	Disclosure requirement	Disclosure
		<p>In determining any proposed dividend and the appropriate payout ratio, the Board will consider (amongst other things) the Group's existing and expected future financial performance (including adjustments to earnings per share), its financial position (including the availability of sufficient distributable reserves), the expectation of servicing more senior securities, the economic environment, and applicable capital and other regulatory requirements and developments in the UK, the US and other jurisdictions.</p> <p>For information on risks related to Barclays' ability to pay dividends see D.3 of this summary.</p>

Section D — Risks

Element	Disclosure requirement	Disclosure
D.1	Key information on the risks specific to the issuer	<p>Weak or deteriorating economic conditions or political instability in one or a number of countries in any of the Group's main business markets or any other globally significant economy could have a material adverse effect on the Group's operations, financial condition and prospects.</p> <p>The Group is subject to a number of risks in its day-to-day operations, any of which may have an adverse impact on the operations, financial condition and prospects of the Group:</p> <p>Credit risk: The Group is exposed to the risk of loss if any of its customers, clients or market counterparties fails to fulfil its contractual obligations. Credit risk and, consequently, the Group's performance may also be adversely affected by the impact of deteriorating economic conditions (and their effects, including unemployment, weak or contracting growth, rising inflation, higher interest rates and falling property prices) and risks relating to sovereign debt crises, Eurozone exit or a slowing or withdrawing of monetary stimulus. If some or all of these conditions arise, persist or worsen, they may have a material adverse effect on the Group's operations, financial condition and prospects. In addition, the Investment Bank holds a significant portfolio of credit market assets which (i) remain illiquid, (ii) are valued based on assumptions, judgements and estimates which may change over time and (iii) may be subject to further deterioration and write downs. Corporate Banking also holds a portfolio of longer term loans on a fair value basis, which are subject to market movements and which may therefore give rise to losses. In either case, these could have a material adverse effect on the Group's operations, financial condition and prospects.</p> <p>Market risk: The Group is at risk from its earnings or capital being reduced due to changes in the level or volatility of positions in its trading books, primarily in the Investment Bank; being unable to hedge its banking book balance sheet at market levels; and the Group's defined benefit pensions obligations increasing or the value of the assets backing those obligations decreasing. These risks could lead to significantly lower revenues, which could have an adverse impact on the Group's operations, financial condition and prospects.</p>

Element	Disclosure requirement	Disclosure
		<p>Funding risk: The Group is exposed to the risk that it may not be able to achieve its business plans due to: an inability to maintain appropriate capital ratios; or a failure to manage its liquidity and funding risk sufficiently; or the impact of changes in foreign exchange rates on capital ratios and/or adverse changes in interest rates impacting structural hedges. These risks could have an adverse impact on the Group's operations, financial condition and prospects.</p> <p>Operational risk: The Group is exposed to the risk of breakdowns in processes, systems (including IT systems), controls or procedures or their inadequacy relative to the size and scope of its business. Barclays is also subject to the risk of business disruption arising from events beyond its control, which may give rise to losses or reductions in service to customers and/or economic loss to Barclays.</p> <p>Conduct and Reputation risks: The Group is exposed to the risk of inappropriate execution of its business activities or failures in corporate governance or management (for example, if Barclays were to provide funding or services to clients without fully implementing anti-money laundering, anti-bribery or similar controls), or the perception thereof, may cause detriment to customers, clients or counterparties and may lead to reputational damage and reduce the attractiveness of the Group to stakeholders. This may, in turn, lead to negative publicity, loss of revenue, litigation, higher scrutiny and/or intervention from regulators, regulatory or legislative action, loss of existing or potential client business, reduced workforce morale, and difficulties in recruiting and retaining talent. Sustained conduct and reputational damage could affect the Group's operations, financial condition and prospects.</p> <p>In addition, the Group is also exposed to a number of key specific risks which fall within one or more of the above categories:</p> <p>Legal and regulatory proceedings: The Group faces the risk of existing and potential future legal and regulatory proceedings and/or private actions and/or class actions being brought by third parties.</p> <p>Final adverse findings arising from the investigations by the FCA, SFO, DOJ and SEC into certain agreements between Barclays and Qatari investors and whether these may have related to capital raisings in June and November 2008 would be likely to give rise to proceedings and/or penalties against the Group. Further, Barclays Bank is party to a non-prosecution agreement with the DOJ in connection with LIBOR investigations, any breach of which could also lead to further proceedings and/or penalties.</p> <p>The Group may incur significant additional expense in connection with existing and potential future legal and regulatory proceedings including for non-compliance by the Group with applicable laws, regulations and codes. This could expose the Group to: substantial monetary damages; loss of significant assets; other penalties and injunctive relief; potential for criminal prosecution in certain circumstances; potential regulatory restrictions on the Group's business; and/or have a negative effect on the Group's reputation, any of which could have an adverse impact on the Group's operations, financial condition and prospects.</p>

Element	Disclosure requirement	Disclosure
		<p>Regulatory risks: The regulatory environment in which the Group operates is subject to significant levels of change. There is a risk that such changes to the regulatory environment (for example, in relation to section 165 of the Dodd-Frank Act, which could give rise to significant adverse capital implications for the Group, depending on the terms on which the provisions are enacted) may adversely affect the Group's business, capital and risk management planning and/or may result in the Group increasing capital, reducing leverage, deciding to modify its legal entity structure, deciding to change how and where capital and funding is deployed within the Group, require the Group to increase its loss-absorbing capacity and/or undertake potential modifications to Barclays' business mix and model (including potential exit of certain business activities). In addition, the risk of such regulatory change will continue to require senior management attention and consume significant levels of business resources.</p> <p>The Group faces significant regulatory scrutiny (for example in relation to systems and controls) in many of the jurisdictions in which it operates, particularly in the UK and the US. If the Group is not able to satisfy its regulators in these jurisdictions as to its compliance with applicable requirements, including any current or future remedial actions required to be taken and/or the satisfactory nature of systems and controls, those regulators could take actions, or require the Group to take actions, which would be damaging to Barclays' businesses and which could have a material adverse effect on the Group's operations, financial condition and prospects.</p> <p>Risk of failing to meet the PRA's expectations in relation to the PRA Leverage Ratio by June 2014: In June 2013, following its assessment of the capital adequacy of major UK banks and building societies, the Prudential Regulation Authority ("PRA") introduced the PRA Leverage Ratio and subsequently, following discussions between Barclays and the PRA, requested that Barclays plan to achieve this target by 30 June 2014. Whilst the PRA has confirmed to Barclays that meeting the target by 30 June 2014 is an expectation (rather than a formal regulatory requirement), Barclays has determined to move swiftly to achieve the target in accordance with the PRA's timing expectations and has discussed and agreed the Leverage Plan with the PRA. There is a risk that Barclays' financial position may diverge from management's current expectations or projections, adversely affecting Barclays' ability to achieve the 3% target for the PRA Leverage Ratio by 30 June 2014. There is also a risk that (i) the level and basis of calculation of the PRA Leverage Ratio may change, (ii) the PRA Adjustments may change, and/or (iii) the PRA may change its approach to the PRA Leverage Ratio. Any of the above could lead to an alteration by the PRA of its supervisory expectations in relation to the PRA Leverage Ratio. Furthermore, there is a risk that Barclays may not be able to successfully implement other actions required to meet the PRA Leverage Ratio.</p> <p>There is a risk that Barclays may fail to implement the Leverage Plan in full, for example if it failed to raise sufficient capital from an issuance of Additional Tier 1 securities or reduce its CRD IV Leverage Exposure by £65-80 billion as contemplated in the</p>

Element	Disclosure requirement	Disclosure
		<p>Leverage Plan. In this event or if, notwithstanding receipt of the net proceeds of the Rights Issue and implementation of the other aspects of the Leverage Plan, Barclays considers that it might not meet all of the supervisory expectations of the PRA in relation to leverage by June 2014, it would expect to enter into discussions with the PRA and the Board would consider what actions to take. Possible actions might include agreeing with the PRA to extend the timeframe for achieving the targeted PRA Leverage Ratio beyond June 2014 and/or taking additional or alternative measures to those currently envisaged to reduce leverage. Additional or alternative measures could include further reducing CRD IV Leverage Exposure (including through asset sales or through making changes to Barclays' business model), limiting discretionary distributions (including the level of dividend payable by Barclays to Shareholders), reducing lending to customers and clients and/or taking additional measures to strengthen Barclays' capital position. If, following discussions with the PRA, the Group were to take such additional or alternative measures, these may be subject to greater risks and uncertainties than, and may not be as beneficial to the Group and its stakeholders as, the measures contemplated under the Leverage Plan. Accordingly, this might have a damaging effect on Barclays' business.</p> <p>Transform programme: The Group's ability to implement successfully the Transform programme may be adversely impacted by a significant global macroeconomic downturn, legacy issues, limitations in the Group's management or operational capacity or significant or unexpected regulatory change. Progress in achieving the targets in the Transform programme is unlikely to be uniform or linear. Failure to implement successfully the Transform programme could have a material adverse effect on the Group's ability to achieve the stated targets and other expected benefits of the Transform programme and there is also a risk that the costs associated with implementing the strategy may be higher than the financial benefits achieved through the programme. In addition, the Group may not be successful in meeting the goals of embedding a culture and set of values across the Group and achieving lasting and meaningful change to the Group's culture, and this could negatively impact the Group's operations, financial condition and prospects.</p>
D.3	Key information on the risks specific to the securities	<p>Dividend risk: The ability of Barclays to pay dividends and Barclays' ability to receive distributions from its investments in other entities is subject to applicable local laws. In addition, other restrictions, including regulatory requirements and expectations, current and expected capital, leverage and ring fencing requirements, statutory reserves, the economic environment in which the Group operates, the Group's financial and operating performance and applicable tax laws may restrict its ability to pay dividends, including its ability to pay dividends at the 40-50% level from 2014.</p> <p>Share price fluctuation risk: The price of the Ordinary Shares has fluctuated and may continue to fluctuate and the market price for Ordinary Shares may decline below the price at which investors subscribed for or acquired the New Ordinary Shares.</p>

Element	Disclosure requirement	Disclosure
		<p>Dilution risk: Qualifying Shareholders who do not (or who are not permitted to) subscribe for their full entitlement to New Ordinary Shares in the Rights Issue will experience dilution in their ownership of Barclays.</p> <p>Securities law risk: Securities laws of certain jurisdictions may restrict Shareholders in exercising the rights attaching to their Ordinary Shares and participating in the Rights Issue.</p>

Section E — Offer

Element	Disclosure requirement	Disclosure
E.1	Net proceeds and costs of the issue	The net proceeds of the Rights Issue (assuming take up in full of all New Ordinary Shares) are expected to be approximately £5.823 billion (net of expenses). The total costs, charges and expenses payable by the Company in connection with the Rights Issue are estimated to be approximately £132 million (inclusive of VAT). No expenses will be charged by the Company to the purchasers of the New Ordinary Shares.
E.2a	Reasons for offer and use of proceeds	<p>In 2010 the Basel Committee on Banking Supervision (the “BCBS”) published new guidelines, commonly known as “Basel III”, to strengthen the regulation, supervision and risk management of the banking sector. These guidelines will become law in the UK and Europe through implementation of the Fourth Capital Requirements Directive and Regulation, referred to as “CRD IV”. Basel III and CRD IV require banks such as Barclays to monitor and manage their regulatory capital and balance sheets to a range of prudential metrics, including enhanced capital ratios and newly introduced liquidity, funding and leverage ratios. Given the impact of these new requirements, banks have been granted a transitional period to 2018 to achieve full compliance, during which certain transitional reliefs are available. Following the transitional period, the full set of CRD IV rules apply (referred to as applying on a “fully loaded” basis).</p> <p>In March 2013, the UK Financial Policy Committee (a body responsible for identifying, monitoring and taking action to remove or reduce systemic risk) asked the PRA to review the capital adequacy of major UK banks and building societies, including Barclays. The PRA published its assessment in June 2013.</p> <p>As part of its review, the PRA introduced a 3% leverage ratio target. The PRA Leverage Ratio target is calculated as fully loaded CET1 capital (after applying certain PRA adjustments) together with any new issuance of Additional Tier 1 securities and divided by CRD IV Leverage Exposure. In July 2013, the PRA requested that Barclays should plan to achieve the 3% PRA Leverage Ratio target by 30 June 2014 (i.e. ahead of the Basel III/ CRD IV deadline).</p> <p>Applying PRA Adjustments to fully loaded CET1 capital, Barclays’ estimated PRA Leverage Ratio would have been 2.2% as at 30 June 2013, representing an estimated leverage gap equivalent to £12.8 billion of capital in order to meet the 3% target.</p> <p>The PRA and Barclays discussed a number of options to meet the 3% PRA Leverage Ratio target, following which Barclays was asked by the PRA to submit a plan aimed at achieving the 3% PRA Leverage Ratio target by 30 June 2014. Whilst the PRA has</p>

Element	Disclosure requirement	Disclosure
		<p>confirmed to Barclays that meeting the target by 30 June 2014 is an expectation (rather than a formal regulatory requirement), Barclays has determined to move swiftly to achieve the target in accordance with the PRA's expected timeframe. Barclays has therefore formulated and agreed with the PRA the following plan, comprised of capital management and leverage exposure actions:</p> <ol style="list-style-type: none"> 1. Raise approximately £5.8 billion, net of expenses, through the Rights Issue; and 2. Take further capital, or capital equivalent, actions through a combination of the following: <ul style="list-style-type: none"> • Reducing CRD IV Leverage Exposure: the Leverage Plan anticipates making £65-80 billion of reductions to approximately £1.5 trillion (equal to approximately £2-2.5 billion of capital) in Barclays' expected CRD IV Leverage Exposure, through a series of actions that have already been identified by the Board; • Raising up to £2 billion of qualifying AT1 instruments: Barclays' existing capital plan envisages raising up to £2 billion of AT1 instruments by June 2014, and this is therefore built into the Leverage Plan; and • Retaining earnings and other forms of capital accretion. <p>On 30 July 2013, the PRA announced that it had agreed and welcomed the Leverage Plan. The PRA said that it had considered all elements of the Leverage Plan, including the new capital issuance, planned dividends and management actions to be taken and, based on Barclays' projections, concluded that it was a credible plan to meet a PRA Leverage Ratio of 3% by the end of June 2014 without cutting back on lending to the real economy. The PRA also commented that, in reviewing the Leverage Plan, it had taken into account the content of its planned consultation paper, subsequently issued on 2 August 2013, concerning the implementation of CRD IV.</p> <p>Barclays intends to use the net proceeds of the Rights Issue to help achieve its leverage ratio target and increase its CET1 ratio, with such proceeds being retained by the Group. Barclays expects to meet the PRA Leverage Ratio target of 3% by 30 June 2014 and its internal target of a 10.5% fully loaded CET1 ratio in early 2015.</p>
E.3	Terms and conditions of the offer	<p>The Rights Issue is being made to all Shareholders on the register of members of the Company at the close of business on the Record Date. Pursuant to the Rights Issue, the Company is proposing to offer 3,219,067,868 New Ordinary Shares by way of rights to Qualifying Shareholders at the Issue Price of 185 pence per New Ordinary Share payable in full on acceptance by no later than 11.59 p.m. on 2 October 2013 (in the event of acceptance or instruction by return of a Provisional Allotment Letter or a Sharesave Form of Instruction) or 2.00 p.m. on 2 October 2013 (in the event of acceptance by settlement of an MTM instruction in CREST). The Issue Price represents a discount of approximately:</p> <ul style="list-style-type: none"> • 40.1% to the Closing Price of 309.05 pence on 29 July 2013 (being the last Business Day prior to the announcement of the Rights Issue);

Element	Disclosure requirement	Disclosure
		<ul style="list-style-type: none"> • 34.9% to the theoretical ex-rights price of 284.2 pence, based on the Closing Price on 29 July 2013; and • 38.7% to the Closing Price of 301.6 pence on the Record Date (being the last Business Day prior to the publication of this Prospectus). <p>The Rights Issue will be made on the basis of one New Ordinary Share for every four Existing Ordinary Shares registered in the name of each Qualifying Shareholder at the close of business on the Record Date (and so in proportion for any other number of Existing Ordinary Shares then registered in the name of such Qualifying Shareholder).</p> <p>Entitlements to New Ordinary Shares will be rounded down to the next lowest whole number (or to zero in the case of Shareholders holding fewer than 4 Existing Ordinary Shares at the close of business on the Record Date) and fractions of New Ordinary Shares will not be allotted to Shareholders. Such fractions will be aggregated and either sold after the commencement of dealings in the Nil Paid Rights or the New Ordinary Shares represented by such aggregated fractions shall be added to the New Ordinary Shares not taken up under the Rights Issues for which subscribers are to be sought by CSSEL, Deutsche Bank, BofA, Merrill Lynch and Citi. The net proceeds of such sales or subscriptions (after deduction of expenses) will be aggregated and donated to Barclays' chosen charity, UNICEF. Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue.</p> <p>The Rights Issue has been underwritten by the Underwriters pursuant to the Underwriting Agreement. The Rights Issue is conditional upon (i) the Underwriting Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and (ii) Admission becoming effective by no later than 8.00 a.m. (London time) on 3 October 2013 or, in certain circumstances, 7 November 2013.</p> <p>The offer of Nil Paid Rights, Fully Paid Rights and New Ordinary Shares to persons resident in, or who are citizens of, or who have a registered address in a country other than the United Kingdom or Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain may be affected by the laws of the relevant jurisdiction.</p> <p>In addition, the offer of New Ordinary Shares (including the Nil Paid Rights and the Fully Paid Rights relating thereto) is being made to US holders of Existing Ordinary Shares and to holders of ADSs pursuant to the US Prospectus and to holders in Canada of Existing Ordinary Shares or ADSs pursuant to the Canadian Offering Memorandum.</p>
E.4	Material interests	Not applicable. There are no interests, known to the Company, material to the issue of the New Ordinary Shares or which are conflicting interests.
E.5	Name of person selling securities	Not applicable. The Rights Issue comprises an offer of New Ordinary Shares to be issued by the Company.

Element	Disclosure requirement	Disclosure
E.6	Dilution resulting from the Rights Issue	Qualifying Shareholders who do not take up their entitlements to New Ordinary Shares will have their proportionate shareholdings in the Company diluted by approximately 20% as a consequence of the Rights Issue.
E.7	Estimated expenses charged to the investor by the Company	Qualifying Shareholders will not be charged expenses by the Company in respect of the Rights Issue, except in the following circumstances. Any Qualifying Certificated Shareholder who is an individual whose registered address is in the UK or in any other jurisdiction in the EEA may elect to sell all of their Nil Paid Rights or effect a Cashless Take-up using the Special Dealing Service. Equiniti Financial Services Limited will charge a commission of 0.15% of the gross proceeds of sale of the Nil Paid Rights which are the subject of the sale, subject to a minimum of £15 per holding. Barclays Stockbrokers Limited will be entitled to receive 40% of the aggregate of such commissions for providing brokerage services in relation to the Special Dealing Service.

RISK FACTORS

Any investment in the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights is speculative and subject to a number of risks. Shareholders and prospective investors should consider carefully the factors and risks associated with any investment in the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights, the Company's business and the industry in which it operates, together with all other information contained in this Prospectus and all of the information incorporated by reference into this Prospectus, including, in particular, the risk factors described below. Following the occurrence of any such event, the value of the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights could decline and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Group, the financial services industry and the New Ordinary Shares, the Nil Paid Rights and the Fully Paid Rights summarised in the section of this Prospectus headed "Summary" are the risks that the Directors and the Company believe to be the most essential to an assessment by a prospective investor of whether to make an investment in the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights and should be used as guidance only. Additional risks relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, operations, financial condition and/or prospects and, if any such risk should occur, the price of the New Ordinary Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the New Ordinary Shares, the Nil Paid Rights and/or the Fully Paid Rights is suitable for them in the light of all the information in this Prospectus and their personal circumstances.

Business conditions and the general economy: weak or deteriorating economic conditions or political instability in the Group's main markets could adversely affect the Group's trading performance

The Group offers a very broad range of services to retail and institutional customers, including governments, and it has significant activities in a large number of countries. Consequently, the operations, financial condition and prospects of the Group, its individual business units and/or specific countries of operation could be materially adversely impacted by weak or deteriorating economic conditions or political instability in one or a number of countries in any of the Group's main business markets (being the UK, the US, the Eurozone and South Africa) or any other globally significant economy through, for example: (i) deteriorating business, consumer or investor confidence leading to reduced levels of client activity and consequently a decline in revenues and/or higher costs; (ii) mark to market losses in trading portfolios resulting from changes in credit ratings, share prices and solvency of counterparties; and (iii) higher levels of impairment and default rates.

The global economy continues to face an environment characterised by low growth. However, central banks in advanced economies have maintained highly accommodative policies that have helped to support demand at a time of very pronounced fiscal tightening and balance sheet repair. During the next few years, a combination of anticipated recovery in private sector demand and of a reduced pace of fiscal austerity in Europe and the United States is likely to result in a return by central banks towards more conventional monetary policies. Decreasing monetary support by central banks in response to any recovery (or anticipated recovery) in demand could have a further adverse impact on volatility in the financial markets and on the performance of significant parts of the Group's business, in each case which could have an adverse effect on the Group's operations, financial condition and prospects.

Credit risk: The financial condition of the Group's customers, clients and counterparties, including governments and other financial institutions, could adversely affect the Group

The Group may suffer financial loss if any of its customers, clients or market counterparties fails to fulfil their contractual obligations to the Group. The Group may also suffer loss when the value of the Group's investment in the financial instruments of an entity falls as a result of that entity's credit rating being downgraded. In addition, the Group may incur significant unrealised gains or losses due solely to changes in the Group's credit spreads or those of third parties, as these changes may affect the fair value of the Group's derivative instruments, debt securities that the Group holds or issues, or any loans held at fair value.

Because these credit-related risks may be adversely impacted by weak or deteriorating economic conditions, the Group's performance is at risk from any continuing weakness or deterioration in the economic environment in any of the Group's main business markets (being the UK, the US, the Eurozone and South Africa). The threat of weaker economies in one or a number of countries in which the Group operates and/or the possibility of a slowing of monetary stimulus by one or more governments could lead to generally weaker than expected growth, contracting GDP, reduced business confidence, higher levels of unemployment, rising inflation, potentially higher interest rates and falling property prices and consequently to an increase in delinquency rates and default rates among customers. Any further slowing of monetary stimulus and the actions and commercial soundness of other financial institutions have the potential to impact market liquidity which in turn may impact on refinancing risks, particularly to the corporate sector. The adverse impact on the credit quality of the Group's customers and counterparties, coupled with a decline in collateral values, could lead to a reduction in recoverability and value of the Group's assets resulting in a requirement to increase the Group's level of impairment allowance. Any increase in impairment resulting from, for example, higher charge-offs to recovery in the retail book and write-offs could have a material adverse effect on the Group's operations, financial condition and prospects.

There remain concerns in the market about credit risk (including that of sovereign states) and the Eurozone crisis. The large sovereign debts and/or fiscal deficits of a number of Eurozone countries and the sustainability of austerity programmes that such countries have introduced have raised concerns among market participants regarding the financial condition of these countries as well as financial institutions, insurers and other corporates that are located in, or have direct or indirect exposures to, such Eurozone countries. Furthermore, an exit of one or more countries from the Eurozone could adversely impact the Group's profitability, liquidity and capital in a number of ways, including: (i) the direct risk arising from the sovereign default of an existing country in which the Group has significant operations and the adverse impact on the economy of that exiting country and the credit standing of the Group's clients and counterparties in that country; (ii) the subsequent adverse impact on the economy of other Eurozone countries and the credit standing of the Group's clients and counterparties in such other Eurozone countries; (iii) indirect risk arising from credit derivatives that reference Eurozone sovereign debt; (iv) direct redenomination risk on the balance sheets of the Group's local operations in countries in the Eurozone should the value of the assets and liabilities be affected differently as a result of one or more countries reverting to a locally denominated currency; (v) the introduction of capital controls or new currencies by any such existing countries; and (vi) significant effects on existing contractual relations and the fulfilment of obligations by the Group and/or its customers. If some or all of these conditions arise, persist or worsen, as the case may be, they may have a material adverse effect on the Group's operations, financial condition and prospects. The current absence of a predetermined mechanism for a member state to exit the Euro means that it is not possible to predict the outcome of such an event or to accurately quantify the impact of such an event on the Group's operations, financial condition and prospects.

The Investment Bank holds a significant portfolio of credit market assets, notably relating to commercial real estate and leveraged finance loans, which (i) remain illiquid; (ii) are valued based upon assumptions, judgements and estimates which may change over time; and (iii) may be subject to further deterioration and write downs. Corporate Banking also holds a portfolio of longer term loans on a fair value basis, which are similarly subject to market movements and which may therefore give rise to losses. In addition, the Group has large individual exposures to single name counterparties. The default of obligations by such counterparties could have a significant impact on the carrying value of these assets. In addition, where such counterparty risk has been mitigated by taking collateral, credit risk may remain high if the collateral held cannot be realised or has to be liquidated at prices which are insufficient to recover the full amount of the loan or derivative exposure. As such, any such defaults could have a material adverse effect on the Group's operations, financial condition and prospects.

Market risk: The Group's financial position may be adversely affected by changes in both the level and volatility of prices (for example, interest rates, credit spreads, commodity prices, equity prices and foreign exchange rates)

Barclays is at risk from its earnings or capital being reduced due to: (i) changes in the level or volatility of positions in its trading books, primarily in the Investment Bank, including changes in interest rates, inflation rates, credit spreads, property prices, commodity prices, equity and bond prices and foreign exchange levels; (ii) the Group being unable to hedge its banking book balance sheet at prevailing market levels; and (iii) the risk of the Group's defined benefit pensions obligations increasing or the value of the

assets backing these defined benefit pensions obligations decreasing due to changes in either the level or volatility of prices. These market risks could lead to significantly lower revenues, which could have an adverse impact on the Group's operations, financial condition and prospects.

Specific examples of areas and scenarios where market risk could lead to significantly lower revenues and adversely affect the Group's operating results include:

(i) *Reduced client activity and decreased market liquidity*

The Investment Bank's business model is focused on client intermediation. A significant reduction in client volumes or market liquidity could result in lower fees and commission income and a longer time period between executing a client trade, closing out a hedge, or exiting a position arising from that trade. Longer holding periods in times of higher volatility could lead to revenue volatility caused by price changes. Such conditions could have a material adverse effect on the Group's results of operations, financial condition and prospects.

(ii) *Uncertain interest rate environment*

Interest rate volatility can impact the Group's net interest margin, which is the interest rate spread realised between lending and borrowing costs. The potential for future volatility and margin changes remains, and it is difficult to predict with any accuracy changes in absolute interest rate levels, yield curves and spreads. Rate changes, to the extent they are not neutralised by hedging programmes, may have a material adverse effect on the Group's results of operations, financial condition and prospects.

Funding risk: The ability of the Group to achieve its business plans may be adversely impacted if it does not effectively manage its liquidity and capital ratios

Funding risk is the risk that the Group may not be able to achieve its business plans due to: being unable to maintain appropriate capital ratios (*Capital risk*); failing to manage its liquidity and funding risk sufficiently (*Liquidity risk*); or the impact of changes in foreign exchange rates on capital ratios and/or adverse changes in interest rate curves impacting structural hedges of non-interest bearing assets/liabilities (*Structural risk*).

Capital risk

Should the Group be unable to maintain or achieve appropriate capital ratios this could lead to: an inability to support business activity; a failure to meet regulatory requirements; changes to credit ratings, which could also result in increased costs or reduced capacity to raise funding; and/or the need to take additional measures to strengthen the Group's capital position.

Basel III and CRD IV are expected to increase the amount and quality of capital that Barclays is required to hold and Barclays has increased its core capital in anticipation of this. However, CRD IV requirements adopted in the United Kingdom may change, whether as a result of further changes to CRD IV agreed by EU legislators, binding regulatory technical standards to be developed by the European Banking Authority or changes to the way in which the PRA interprets and applies these requirements to UK banks (including as regards individual model approvals granted under CRD II and III). Such changes, either individually and/or in aggregate, may lead to further unexpected enhanced requirements in relation to the Group's CRD IV capital. Additional capital requirements will also arise from other proposals, including the recommendations of the UK Independent Commission on Banking, the Liikanen Review and section 165 of the Dodd-Frank Act. It is not currently possible to predict with accuracy the detail of secondary legislation or regulatory rulemaking expected under any of these proposals, and therefore the likely consequences to the Group. However, it is likely that these changes in law and regulation would require changes to the legal entity structure of the Group and how its businesses are capitalised and funded and/or are able to continue to operate and as such could have an adverse impact on the operations, financial condition and prospects of the Group. Any such increased capital requirements or changes to what is defined to constitute capital may also constrain the Group's planned activities and could increase costs, impact on the Group's earnings and restrict Barclays' ability to pay dividends. Moreover, during periods of market dislocation, or when there is significant competition for the type of funding that the Group needs, increasing the Group's capital resources in order to meet targets may prove more difficult and/or costly.

Liquidity risk

Should the Group fail to manage its liquidity and funding risk sufficiently, this may result in: an inability to support normal business activity; and/or a failure to meet liquidity regulatory requirements; and/or

changes to credit ratings. Any material adverse change in market liquidity (such as that experienced in 2008), the availability and cost of customer deposits and/or wholesale funding, in each case whether due to factors specific to Barclays (such as due to a downgrade in Barclays' credit rating) or to the market generally, could adversely impact the Group's ability to maintain the levels of liquidity required to meet regulatory requirements and sustain normal business activity. In addition, there is a risk that the Group could face sudden, unexpected and large net cash outflows, for example from customer deposit withdrawals and/or collateral posting upon ratings downgrades, or unanticipated levels of loan drawdowns under committed facilities, which could also result in (i) forced reductions in Barclays' balance sheet, (ii) Barclays being unable to fulfil its lending obligations and (iii) a failure to meet the Group's liquidity regulatory requirements. During periods of market dislocation (for example, in the event of an exit of one or more countries from the Eurozone), the Group's ability to manage liquidity requirements may be impacted by a reduction in the availability of wholesale term funding as well as an increase in the cost of raising wholesale funds. Asset sales, balance sheet reductions and increased costs of raising funding could all adversely impact the operations, financial condition and prospects of the Group.

Structural risk

The Group has capital resources and risk weighted assets denominated in foreign currencies; changes in foreign exchange rates result in changes in the pounds sterling equivalent value of foreign currency denominated capital resources and risk weighted assets. As a result, the Group's regulatory capital ratios are sensitive to foreign currency movements. The Group also has exposure to non-traded interest rate risk, arising from the provision of retail and wholesale (non-traded) banking products and services. This includes current accounts and equity balances which do not have a defined maturity date and an interest rate that does not change in line with base rate changes. Failure to appropriately manage the Group's balance sheet to take account of these risks could result in: (i) in the case of foreign exchange risk, an adverse impact on regulatory capital ratios and (ii) in the case of non-traded interest rate risk, an adverse impact on income. Structural risk is difficult to predict with any accuracy and may have a material adverse effect on the Group's results of operations, financial condition and prospects.

Operational risk: The operational risk profile of the Group may change as a result of human factors, inadequate or failed internal processes and systems, and external events

The Group is exposed to many types of operational risk, including fraudulent and other criminal activities (both internal and external), the risk of breakdowns in processes, controls or procedures (or their inadequacy relative to the size and scope of Barclays' business) and systems failure or non-availability. Barclays is also subject to the risk of disruption of its business arising from events that are wholly or partially beyond its control (for example natural disasters, acts of terrorism, epidemics and transport or utility failures) which may give rise to losses or reductions in service to customers and/or economic loss to Barclays. The operational risks that the Group is exposed to could change rapidly and there is no guarantee that the Group's processes, controls, procedures and systems are sufficient to address, or could adapt promptly to, such changing risks. All of these risks are also applicable where Barclays relies on outside suppliers or vendors to provide services to it and its customers.

Infrastructure resilience, technology and CyberSecurity

The Group's technological infrastructure is critical to the operation of the Group's businesses and delivery of products and services to customers and clients. Any disruption in a customer's access to their account information or delays in making payments will have a significant impact on the Group's reputation and may also lead to potentially large costs to both rectify the issue and reimburse losses incurred by customers. Technological efficiency and automation is also important to the control environment and improvement is an area of focus for Barclays, including in the Investment Bank. Furthermore, there is a growing threat of attacks to the Group's systems (including in respect of customer and Group information held on those systems and transactions processed through these systems) from individuals or groups via cyberspace. Risks to technology and cybersecurity change rapidly and require continued focus and investment.

Given the increasing sophistication and scope of potential attacks via cyberspace, it is possible that future attacks may lead to significant breaches of security. Failure to manage cybersecurity risk adequately could adversely affect the Group's reputation, operations, financial condition and prospects.

Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying relevant accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include credit impairment charges for amortised cost assets, impairment and valuation of available-for-sale investments, calculation of income and deferred tax, fair value of financial instruments, valuation of goodwill and intangible assets, valuation of provisions and accounting for pensions and post-retirement benefits. There is a risk that if the judgement exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could result in significant loss to the Group, beyond that anticipated or provided for, which could have an adverse impact on the Group's operations, financial results and condition and prospects.

Observable market prices are not available for many of the financial assets and liabilities that the Group holds at fair value and a variety of techniques to estimate the fair value are used. Should the valuation of such financial assets or liabilities become observable, for example as a result of sales or trading in comparable assets or liabilities by third parties, this could result in a materially different valuation to the current carrying value in the Group's financial statements.

The further development of standards and interpretations under IFRS could also significantly impact the financial results, condition and prospects of the Group. For example, the IAS 32 Financial Instruments revisions could result in a material gross-up of assets and liabilities in the balance sheet, depending on interpretation of the standard in relation to derivative offsetting.

Legal and regulatory proceedings: the Group operates in highly regulated industries, and the Group's businesses and results may be significantly affected by the laws and regulations applicable to it and by proceedings involving the Group

As a global financial services firm, the Group is subject to extensive and comprehensive regulation under the laws of the various jurisdictions in which it does business. These laws and regulations significantly affect the way that the Group does business, and can restrict the scope of its existing businesses and limit its ability to expand its product offerings or to pursue acquisitions, or can make its products and services more expensive for clients and customers. There has also been an increased focus on regulation and procedures for the protection of customers and clients of financial services firms. This has resulted, moreover, in increased willingness on the part of regulators to investigate past practices of financial services firms.

The Group is exposed to many forms of risk relating to legal and regulatory proceedings, including that: (i) business may not be, or may not have been, conducted in accordance with applicable laws in the relevant jurisdictions around the world and financial and other penalties may result; (ii) contractual obligations may either not be enforceable as intended or may be enforced in a way adverse to the Group; (iii) intellectual property may not be adequately protected and the Group may use intellectual property which infringes, or is alleged to infringe, the rights of third parties; and (iv) liability for damages may be incurred to third parties harmed by the conduct of the Group's business.

Legal proceedings

The Group, in common with other global financial services firms, has in recent years faced increased levels of legal proceedings in jurisdictions where it operates businesses and/or in which it sells securities and offers financial products. This is particularly true in the US where the Group has faced and is facing legal proceedings relating to its business activities and its sale of securities and financial products, including in the form of class actions. Key legal proceedings to which the Group is currently exposed include:

- Lehman Brothers;
- Certain series of preference shares issued in the form of American Depositary Shares;
- US Federal Housing Finance Agency and other residential mortgage backed securities litigation;
- Devonshire Trust; and
- London Interbank Offered Rates ("LIBOR") and other benchmarks civil actions (see also "*— Regulatory and other investigations or proceedings*" below).

For more detailed information on each of these proceedings, see paragraph 18 in Part VIII “*Additional Information*” of this Prospectus. The outcome of each of these legal proceedings (and in any proceedings that may be brought in the future) is difficult to predict. However, the Group may incur significant expense in connection with such proceedings and one or more of them could expose the Group to any of the following: substantial monetary damages; loss of significant assets; other penalties and injunctive relief; potential regulatory restrictions on the Group’s business; and/or a negative effect on the Group’s reputation, any of which could have an adverse impact on the Group’s operations, financial condition and prospects. An adverse decision in any one matter, either against Barclays or another bank facing similar claims, could lead to further claims against Barclays.

Regulatory and other investigations or proceedings

The Group also faces existing regulatory and other investigations in various jurisdictions as well as the risk of potential future regulatory and other investigations or proceedings and/or further private actions and/or class actions being brought by third parties in connection with such regulatory and other investigations or proceedings.

The FCA has investigated certain agreements, including two advisory services agreements entered into by Barclays Bank with Qatar Holding LLC (“**Qatar Holding**”) in June and October 2008 respectively, and whether these may have related to Barclays’ capital raisings in June and November 2008.

The FCA issued warning notices (the “**Warning Notices**”) against Barclays and Barclays Bank on 13 September 2013.

The existence of the advisory services agreement entered into in June 2008 was disclosed but the entry into the advisory services agreement in October 2008 and the fees payable under both agreements, which amount to a total of £322 million payable over a period of five years, were not disclosed in the announcements or public documents relating to the capital raisings in June and November 2008. While the Warning Notices consider that Barclays and Barclays Bank believed at the time that there should be at least some unspecified and undetermined value to be derived from the agreements, they state that the primary purpose of the agreements was not to obtain advisory services but to make additional payments, which would not be disclosed, for the Qatari participation in the capital raisings. The Warning Notices conclude that Barclays and Barclays Bank were in breach of certain disclosure-related Listing Rules and Barclays was also in breach of Listing Principle 3 (the requirement to act with integrity towards holders and potential holders of the Company’s shares). In this regard, the FCA considers that Barclays and Barclays Bank acted recklessly. The financial penalty in the Warning Notices against the Group is £50 million. However, Barclays and Barclays Bank continue to contest the findings.

The Serious Fraud Office is investigating the same agreements. Its investigation is at an earlier stage and the Group has received and continues to respond to requests for further information.

The DOJ and the SEC are undertaking an investigation into whether the Group’s relationships with third parties who assist Barclays to win or retain business are compliant with the United States Foreign Corrupt Practices Act. They are also investigating the agreements referred to above including the two advisory services agreements. The US Federal Reserve has requested to be kept informed of these matters.

It is not possible to estimate the full impact on the Group if the final conclusion of these matters is adverse.

Final adverse findings would result in financial penalties, reputational impact and/or (if further action is taken by UK or US prosecutors) possible criminal liability, with a consequential risk of impact on share price and possible consequential civil litigation, and no assurance can be given as to the civil, criminal or regulatory consequences or their financial impact, if any, before final conclusions are reached by the authorities in the ongoing investigations.

Other key regulatory and other investigations or proceedings to which the Group is currently exposed include:

- Interchange investigations;
- Investigations into LIBOR, ISDAfix and other benchmarks;
- Interest rate hedging products redress;
- Federal Energy Regulatory Commission investigation; and
- Credit Default Swap antitrust investigations.

For more detailed information on each of these investigations or proceedings, see paragraph 18 in Part VIII “*Additional Information*” of this Prospectus. The outcome of these investigations or proceedings is difficult to predict. However, the Group may incur significant expense in connection with these matters, which could expose the Group to any of the following: substantial monetary damages and fines; other penalties and injunctive relief; potential for additional civil or private litigation; potential for criminal prosecution in certain circumstances; potential regulatory restrictions on the Group’s business; and/or a negative effect on the Group’s reputation. There is also a risk that such investigations or proceedings may give rise to changes in law or regulation as part of a wider response by relevant law makers and regulators. Any of these risks, should they materialise, could have an adverse impact on the Group’s operations, financial results and condition and prospects.

In addition, the Group is subject to a Non-Prosecution Agreement (“**NPA**”) entered into with the DOJ in connection with the LIBOR investigations. Under the NPA, Barclays has agreed that, for a period of two years from 26 June 2012, it will amongst other things, commit no United States crime whatsoever and will comply with certain obligations to provide information to and co-operate with US authorities.

A breach of any of the NPA provisions could lead to further prosecutions in relation to Barclays’ benchmark interest rate submissions and could have significant consequences for Barclays’ current and future business operations in the United States.

Adequacy of provisions

Where provisions have already been taken in published financial statements or results announcements for on-going legal or regulatory matters, including in relation to litigation relating to Devonshire Trust, payment protection insurance (“**PPI**”) and interest rate hedging products, these have been recognised, in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as the best estimate of the expenditure required to settle the obligation as at the reporting date. Such estimates are inherently uncertain and it is possible that the eventual outcomes may differ materially from current estimates, resulting in future increases or decreases to the required provisions (as has, for example, been the case in relation to the provisions that the Group has made in relation to PPI redress payments), or actual losses that exceed or fall short of the provisions taken.

In addition, provisions have not been taken where no obligation (as defined in IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”) has been established, whether associated with a known or potential future litigation or regulatory matter. Accordingly, an adverse decision in any such matters could result in significant losses to the Group which have not been provided for. Such losses would have an adverse impact on the Group’s operations, financial results and condition and prospects.

Potential financial and reputational impacts of legal, regulatory or other proceedings

Furthermore, the Group, like many other financial institutions, has come under greater regulatory scrutiny in recent years and expects that environment to continue. The nature of any future disputes and legal, regulatory or other investigations or proceedings, and the likelihood of their occurring, cannot be predicted in advance. Furthermore, the outcome of any on-going disputes and legal, regulatory or other investigations or proceedings is difficult to predict. However, it is likely that in connection with any such on-going and future matters the Group will incur significant expense investigating and, where applicable, defending such claims. In addition, non-compliance by the Group with applicable laws, regulations and codes of conduct relevant to its businesses in all jurisdictions in which it operates, whether due to inadequate controls or otherwise, could lead to substantial monetary damages and/or fines, loss of significant assets, public reprimands, a negative effect on the Group’s reputation, increased regulatory compliance requirements or other potential regulatory restrictions on the Group’s business, the potential for criminal prosecution in certain circumstances, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate particular businesses and/or other penalties and injunctive relief. Non-compliance may also lead to costs relating to investigations and remediation of affected customers (which may, in some circumstances, exceed the direct costs of regulatory enforcement actions). In addition, reputational damage may lead to a reduction in franchise value. As an example of non-compliance leading to costs of remediation, UKRBB has identified certain issues with the information contained in historic statements and arrears notices relating to consumer loan accounts. It is therefore implementing a plan to return interest incorrectly charged to customers. As at 30 June 2013 a provision was held for these costs which includes expected operational costs and which Barclays considers to be adequate in respect of this remediation. Barclays is also undertaking a review of all its businesses where similar issues could arise, including Barclaycard, Barclays Wealth and Barclays Corporate, to assess any

similar or related issues. There is currently no certainty as to the outcome of this review. The findings of such review could have an adverse impact on the Group's operations, financial results and prospects.

Any of these risks, should they materialise, could have an adverse impact on the Group's operations, financial results and condition and prospects. There is also a risk that the outcome of such investigations or proceedings may give rise to changes in law or regulation as part of a wider response by relevant law makers and regulators. An adverse decision in any one matter, either against the Group or another financial institution facing similar claims, could lead to further claims against the Group.

Anti-money laundering, anti-bribery, sanctions and other compliance risks

Combating money laundering, bribery and terrorist financing and the enforcement of compliance with economic sanctions has been a major focus of government policy relating to financial institutions in recent years (most notably in the UK, EU and the US). US, UK and EU law and regulation impose obligations on the Group to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing. In addition, the extra-territorial reach of US regulations in respect of economic sanctions requires the Group to establish effective controls and procedures in order to prevent violations of US sanctions against designated foreign countries, nationals and others. The risk of non-compliance for large universal banking groups, such as Barclays, are high given the nature, scale and complexity of such groups and the challenges inherent in implementing robust controls. The Group also operates in some newer and emerging markets, such as Africa, Asia and the Middle East, where the risks can be higher than in more established markets. Failure by Barclays to implement and maintain adequate programmes to combat money laundering, bribery and terrorist financing or to ensure economic sanction compliance could have serious legal and reputational consequences for the institution, including exposure to fines, public censure, penalties and damages.

PRA Leverage Ratio: Barclays may be unable to meet the PRA's expectations by June 2014

In June 2013, following its assessment of the capital adequacy of major UK banks and building societies, the PRA introduced a 3% leverage ratio target and subsequently, following discussions between Barclays and the PRA, the PRA requested that Barclays plan to achieve this target by 30 June 2014. The PRA Leverage Ratio for Barclays will be calculated as fully loaded CET1 capital (after certain PRA Adjustments) together with Additional Tier 1 securities it issues in the future, divided by a leverage exposure measure calculated in accordance with Article 429 of CRD IV. Calculation of the CRD IV leverage ratio under Article 429 remains subject to review by the European Banking Authority (the "EBA"); following this review the European Commission is expected to develop a further legislative proposal for submission to the European Parliament and the European Council by the end of 2016. On the current timetable the CRD IV leverage ratio is not expected to be finally implemented until 2018. It is possible that (i) the level and basis of calculation of the PRA Leverage Ratio may change, reflecting changes to the CRD IV Leverage Ratio calculation arising from binding regulatory technical standards to be developed by the EBA and/or any related statement or guidelines from the Basel Committee on Banking Supervision; (ii) the PRA Adjustments may change; and (iii) the PRA may change its approach to the PRA Leverage Ratio.

There is, in any event, a risk that Barclays' financial position may diverge from management's current expectations or projections, adversely affecting Barclays' ability to achieve the 3% PRA Leverage Ratio target by 30 June 2014. This, or any of the above, could lead to an alteration by the PRA of its supervisory expectations in relation to the PRA Leverage Ratio.

On 30 July 2013 Barclays announced a series of actions designed to achieve the 3% PRA Leverage Ratio target within the planned timeframe. These actions include: (i) the Rights Issue; (ii) measures to reduce Barclays' CRD IV Leverage Exposure through a number of management actions that Barclays believes involve low execution risk; (iii) the retention of earnings and other forms of capital accretion; and (iv) future issuance of Additional Tier 1 securities with a 7% fully loaded CET1 ratio trigger, which the PRA has confirmed can be used in the calculation of the PRA Leverage Ratio.

There are a number of risks which may adversely impact Barclays' ability to meet the PRA Leverage Ratio target by the expected timeframe of June 2014. Barclays may not be able to successfully implement all aspects of the Leverage Plan, for example: the completion of an issuance of notes which qualify under CRD IV as Additional Tier 1 securities with a 7% fully loaded CET 1 ratio trigger will be subject to market risks and investor demand; the implementation of the identified measures for reducing Barclays' CRD IV Leverage Exposure will be subject to a degree of execution risk; the ability of the Group to retain earnings at the rate anticipated under, and other management expectations or projections underlying, the Leverage Plan will be dependent on the financial performance of the Group; and other identified capital

accretive management actions may not result in capital accretion to the extent expected under the Leverage Plan, or at all. In addition, a significant trading loss or other extraordinary or unanticipated cost or loss could have a material impact on the earnings and profitability of the Group which in turn could adversely impact the Group's ability to meet the PRA Leverage Ratio target in accordance with the PRA's timetable expectations.

Whilst the PRA has confirmed to Barclays that meeting the target by 30 June 2014 is an expectation (rather than a formal regulatory requirement), Barclays has determined to move swiftly to achieve the target in accordance with the PRA's timing expectations, and has discussed and agreed the Leverage Plan with the PRA.

There is a risk that Barclays may fail to implement the Leverage Plan in full if, for example, it failed to raise sufficient capital from an issuance of Additional Tier 1 securities or reduce its CRD IV Leverage Exposure by £65 – £80 billion as contemplated in the Leverage Plan. In this event or if, notwithstanding receipt of the net proceeds of the Rights Issue and implementation of the other aspects of the Leverage Plan, Barclays considers that it may not meet all of the supervisory expectations of the PRA in relation to leverage by 30 June 2014, it would expect to enter into discussions with the PRA and the Board would consider what actions to take in light of the circumstances, taking into account the capital requirements of the Group at such time. Possible actions might include agreeing with the PRA to extend the timeframe for achieving the targeted PRA Leverage Ratio beyond June 2014 and/or taking additional or alternative measures to those currently envisaged to reduce leverage. Any such discussions with the PRA could take some time before agreement is reached.

Additional or alternative measures to address any then outstanding leverage gap could include further reducing CRD IV Leverage Exposure (including through asset sales or through making changes to Barclays' business model), limiting discretionary distributions (including the level of dividend payable by Barclays to Shareholders), reducing lending to customers and clients and/or taking additional measures to strengthen Barclays' capital position. If, following discussions with the PRA, the Group were to take additional or alternative measures to improve its leverage position, these may be subject to greater risks and uncertainties than, and may not be as beneficial to the Group and its stakeholders as, the measures contemplated under the Leverage Plan. Accordingly, this might have a damaging effect on Barclays' business.

The above factors could lead to decreased investor confidence in Barclays, an adverse impact on its reputation and/or negatively affect Barclays' share price. No statement contained in this risk factor should be taken as qualifying the statements made as to sufficiency of working capital in paragraph 16 of Part VIII "Additional Information" of this Prospectus.

Regulatory risks: the financial services industry continues to be the focus of significant regulatory change and scrutiny which may adversely affect the Group's business, financial performance capital and risk management strategies

The Group, in common with much of the financial services industry, continues to be the focus of significant regulatory change and scrutiny in many of the countries in which it operates, including, in particular, the UK and the US and in light of its significant investment banking operations. This has led to a more intensive approach to supervision and oversight, increased expectations and enhanced requirements, including with regard to: (i) capital, liquidity and leverage requirements (for example arising from Basel III and CRD IV); (ii) structural reform and recovery and resolution planning; (iii) market infrastructure reforms such as centralised clearing of over-the-counter (OTC) derivatives; and (iv) the adequacy of controls around its businesses in many jurisdictions, including in the US. As a result, regulatory risk will continue to require senior management attention and consume significant levels of business resources. Furthermore, this more intensive approach and the enhanced requirements, uncertainty and the extent of international regulatory coordination as enhanced supervisory standards are developed and implemented may adversely affect the Group's business, capital and risk management strategies and/or may result in the Group deciding to modify its legal entity structure, capital and funding structures and business mix or to exit certain business activities altogether or to determine not to expand in areas despite their otherwise attractive potential.

Implementation of Basel III / CRD IV and additional PRA supervisory expectations

CRD IV introduces significant changes in the prudential regulatory regime applicable to banks including: increased minimum capital ratios; changes to the definition of capital and the calculation of risk weighted assets; and the introduction of new measures relating to leverage, liquidity and funding. CRD IV has been

adopted by European legislators and the requirements generally will apply in the UK and other EU member states from 1 January 2014. CRD IV permits a transitional period for certain of the enhanced capital requirements and certain other measures, such as the CRD IV leverage ratio, which are not expected to be finally implemented until 2018. Outside of the anticipated CRD IV timetable (and as indicated by the PRA's statements of intent set out in CP5/13 described below), the PRA's supervisory expectation is for Barclays to meet certain capital and leverage ratio targets within certain prescribed timeframes. The PRA's current expectation is for Barclays to meet an adjusted fully loaded CET 1 ratio of 7% by 31 December 2013 and a PRA Leverage Ratio of 3% by 30 June 2014, as mentioned above.

CRD IV requirements adopted in the United Kingdom may change, whether as a result of further changes to CRD IV agreed by EU legislators, binding regulatory technical standards to be developed by the EBA or changes to the way in which the PRA interprets and applies these requirements to UK banks (including as regards individual model approvals granted under CRD II and III). Such changes, either individually and/or in aggregate, may lead to further unexpected enhanced requirements in relation to the Group's CRD IV capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated. The PRA announced a consultation paper (CP5/13, Strengthening capital standards: implementing CRD IV) in August 2013 which sets out proposed changes to the PRA rules in order to implement CRD IV in the UK. Whilst the Leverage Plan was announced prior to the publication of this consultation paper, the PRA, when announcing that it agreed and welcomed the Leverage Plan, commented that it had taken into account the content of its then planned consultation paper (which has subsequently been issued). However, no assurance can be given that the proposed changes to the PRA rules will be implemented in the form set out in the consultation paper. If the PRA rules were to be amended in a manner other than as set out in the consultation paper and depending on the content of final binding regulatory technical standards developed by the EBA, it could be materially more difficult for the Group to maintain compliance with prudential requirements. This may result in a need for further management actions to meet the changed requirements, such as: increasing capital, reducing leverage and risk weighted assets, modifying legal entity structure (including with regard to issuance and deployment of capital and funding for the Group) and changing Barclays' business mix or exiting other businesses and/or undertaking other actions to strengthen Barclays' capital position.

Structural reform

A number of regulators are currently proposing or considering legislation and rule making that could have a significant impact on the future legal entity structure, business mix and management of the Group:

- The UK Financial Services (Banking Reform) Bill, which gives UK authorities the power to implement key recommendations of the Independent Commission on Banking, including: (i) the separation of the UK and EEA retail banking activities of the largest UK banks into a legally, operationally and economically separate and independent entity (so called "ring fencing"); (ii) statutory depositor preference in insolvency; and (iii) a reserve power for the PRA to enforce full separation of the retail operations of UK banks to which the reforms apply under certain circumstances;
- The EU High Level Expert Group Review (the Liikanen Review) on reform of the structure of the EU banking sector, which includes recommendations for the mandatory separation of proprietary trading and other high-risk trading activities (subject to thresholds) from deposit taking banks (and on which the EU Commission has subsequently consulted);
- US Federal Reserve proposals to implement section 165 of the Dodd-Frank Act to require the US subsidiaries of foreign banks operating in the US to be held under a US intermediate holding company subject to a comprehensive set of prudential, supervisory and local capital requirements prescribed by US regulators, and to implement Section 166 (early remediation requirements). Under the current proposals, the intermediate holding company would be required to meet the enhanced prudential standards and early remediation requirements that are, to a large degree, the same as those applicable to similar US bank holding companies, including some requirements previously assessed as not being applicable to the Group. The US Federal Reserve proposals if adopted in their current form have the potential to significantly increase the absolute and regulatory costs of Barclays US operations. It is also possible that the implementation of section 165 could have a more onerous effect in relation to the US subsidiaries of foreign banks than on US bank holding companies;
- In the US, the so-called "Volcker Rule" will, once effective, significantly restrict the ability of US bank holding companies and their affiliates, and the US branches of foreign banks, to conduct proprietary trading in securities and derivatives as well as certain activities related to hedge funds and private

equity funds. In October 2011, US regulators proposed rules to implement the Volcker Rule. Those rules have not yet been finalised. Analysis continues of the proposals, but it is clear that compliance with them could entail significant additional compliance and operational costs for the Group. Whilst the statutory Volcker Rule provisions officially took effect in July 2012, Barclays has until the end of the conformance period, currently set for July 2014 (subject to possible extensions), in order to conform its activities to the requirements of the rule; and

- The European Commission's proposal for a directive providing for a new EU framework for the recovery and resolution of credit institutions and investment firms (the "**Recovery and Resolution Directive**" or "**RRD**"). For more information, see "*— Regulatory action in the event of a bank failure*" below.

These laws and regulations and the way in which they are interpreted and implemented by regulators may have a number of significant consequences, including changes to the legal entity structure of the Group, changes to how and where capital and funding is raised and deployed within the Group, increased requirements for loss-absorbing capacity within the Group and/or at the level of certain legal entities or sub-groups within the Group and potential modifications to Barclays' business mix and model (including potential exit of certain business activities). These and other regulatory changes, and the resulting actions taken to address such regulatory changes, may have an adverse impact on Barclays' profitability, operating flexibility, flexibility of deployment of capital and funding, return on equity, ability to pay dividends and/or financial condition. It is not yet possible to predict the detail of such legislation or regulatory rulemaking or the ultimate consequences to the Group which could be material.

Recovery and resolution planning

There continues to be a strong regulatory focus on resolvability from both UK and international regulators. The Group continues to work with all relevant authorities on recovery and resolution plans ("**RRP**") and the detailed practicalities of the resolution process. This includes the provision of information that would be required in the event of a resolution, in order to enhance the Group's resolvability. The Group made its first formal RRP submissions to the UK and US regulators in mid-2012 and has continued to work with the relevant authorities to identify and address any impediments to resolvability.

The EU has developed a proposal for a Directive to establish a framework for the recovery and resolution of credit institutions and investment firms. The aim of this new regime would be to provide authorities with the tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution or firm's critical financial and economic functions while minimising the impact of its failure on the financial system. The regime is also intended to ensure that shareholders bear losses first and that creditors bear losses after shareholders, provided that no creditor should incur greater losses than it would have incurred if the institution had been wound up under normal insolvency proceedings. The proposed Directive provides resolution authorities with powers to require credit institutions to make significant changes in order to enhance recovery or resolvability. These include, amongst others, the powers to require the group to: make changes to its legal or operational structures (including demanding that the Group be restructured into units which are more readily resolvable); limit or cease specific existing or proposed activities; hold a specified minimum amount of liabilities subject to write down or conversion powers under the so-called "bail-in" tool. Whilst Barclays believes that it is making good progress in reducing impediments to resolution, should the relevant authorities ultimately decide that the Group or any significant subsidiary is not resolvable, the impact of such structural changes (whether in connection with RRP or other structural reform initiatives) could impact capital, liquidity and leverage ratios, due to reduced benefits of diversification, as well as the overall profitability, via duplicated infrastructure costs, lost cross-rate revenues and additional funding costs.

Regulatory action in the event of a bank failure

The UK Banking Act 2009, as amended (the "**Banking Act**") provides for a regime (the "**resolution regime**") to allow the Bank of England (or, in certain circumstances, UK HM Treasury (the "**UK Treasury**")) to resolve failing banks in the UK, in consultation with the PRA and the UK Treasury, as appropriate. Under the Banking Act, these authorities are given powers to make share transfer orders and property transfer orders. If these powers were to be exercised in respect of Barclays, there could be a material adverse effect on the rights or interests of Shareholders, including through a material adverse effect on the market price of Barclays' shares.

The Banking Act may be amended and/or other legislation may be introduced in the UK that would apply in the event of a bank failure or to provide regulators with other resolution powers. In particular, the European Commission's legislative proposal has developed a draft directive providing for an EU framework for the recovery and resolution of credit institutions and investment firms (the RRD) is expected to expand the powers currently available to the relevant authorities under the Banking Act. The RRD includes a proposal for the introduction of statutory "write down and conversion" and "bail-in" powers, which would give the relevant UK resolution authority certain powers, including the power to cancel existing shares and/or dilute existing shareholders by converting relevant capital instruments or eligible liabilities into shares of the surviving entity. Accordingly, if the Group were to be at or approaching the point of non-viability such as to require regulatory intervention, any exercise of any resolution regime powers by the relevant UK resolution authority may result in Shareholders losing all or a part of their shareholdings and/or in the rights of Shareholders being adversely affected, including by the dilution of their percentage ownership of the Barclays' share capital, and/or could have a material adverse effect on the market price of Barclays' shares.

As well as the "bail-in" power, the powers currently proposed to be granted to the relevant UK resolution authority under the RRD include the power, which is similar to an existing power under the Banking Act, to direct the sale of a bank and/or to transfer all or part of a bank to a "bridge bank" (a publicly controlled entity) in each case without requiring the consent of the shareholders and/or the power to transfer the problem assets of the relevant financial institution to an asset management vehicle to allow them to be managed over time.

There remains significant uncertainty regarding the ultimate nature and scope of these powers and, if ever implemented, how they would affect the Group. Accordingly, it is not yet possible to assess the full impact of the draft RRD on the Group and once it is implemented, the manner in which it is implemented or the taking of any actions by the relevant UK resolution authority currently contemplated in the draft RRD and/or the Banking Act and/or any related legislation or regulation could have a material adverse effect on the rights or interests of the Shareholders, including through a material adverse effect on the market price of Barclays shares.

Market infrastructure reforms

The European Market Infrastructure Regulation ("EMIR") introduces new requirements to improve transparency and reduce the risks associated with the derivatives market. These requirements come into force progressively through 2013 and 2014. When it enters fully into force, EMIR will require entities that enter into any form of derivative contract, including interest rate, foreign exchange, equity, credit and commodity derivatives, to: report every derivative contract entered into to a trade repository; implement new risk management standards (including operational processes and margining) for all bi-lateral over-the-counter derivative trades that are not cleared by a central counterparty; and clear, through a central counterparty, over-the-counter derivatives that are subject to a mandatory clearing obligation. CRD IV aims to complement EMIR by applying higher capital requirements for bilateral, over-the-counter derivative trades. Lower capital requirements for cleared trades are only available if the central counterparty is recognised as a "qualifying central counterparty", which has been authorized or recognised under EMIR (in accordance with related binding technical standards).

In the US, the Dodd-Frank Act also mandates that many types of derivatives now traded in the over-the-counter markets must be traded on an exchange or swap execution facility and must be centrally cleared through a regulated clearing house. In addition, participants in these markets are now made subject to CFTC and SEC regulation and oversight. Entities required to register with the CFTC as "swap dealers" or "major swap participants" and/or with the SEC as "security-based swap dealers" or "major security-based swap dealers" are or will be subject to business conduct, capital, margin, record keeping and reporting requirements. Barclays Bank has provisionally registered with the CFTC as a swap dealer. It is possible that other additional regulations (many of which still are not final), and the related expenses and requirements, will increase the cost of and restrict participation in the derivative markets, thereby increasing the costs of engaging in hedging or other transactions and reducing liquidity and the use of the derivative markets.

The new regulation of the derivative markets could adversely affect the business of Barclays Bank and its affiliates in these markets and could make it more difficult and expensive to conduct hedging and trading activities, which could in turn reduce the demand for swap dealer and similar services of Barclays Bank and its subsidiaries. In addition, as a result of these increased costs, the new regulation of the derivative markets may also result in the Group deciding to reduce its activity in these markets.

Increased regulatory scrutiny

In addition to the costs and risks that may arise as a result of changing laws and regulations and interpretations thereof, Barclays devotes considerable resources to compliance with existing regulatory requirements and requests. This is an ongoing process of engagement with banking, markets and other regulators in many jurisdictions throughout the world.

In addition to its principal regulators in the UK, Barclays faces significant regulatory scrutiny in many of the other jurisdictions in which it operates, in particular in the US where its business has grown in size and complexity since 2008 (particularly following the Lehman acquisition). This in turn requires continual monitoring and upgrading of complex control systems in areas such as unauthorised trading, know-your-customer, sanctions and anti-money laundering. Barclays' ability to maintain and grow its businesses in the UK and the US (as well as in other jurisdictions) will depend in considerable part upon its ability to respond to both current regulatory standards and expectations as well as to comply with those standards and expectations as they evolve in the future, both in terms of the actual requirements and the way in which the relevant regulators implement and enforce them. The above also requires significant management resource and attention and is dependent on the Group ensuring that sufficient and appropriately qualified staff are dedicated to oversee and manage such issues. If Barclays is not able to satisfy its regulators in the key markets in which it operates, and in particular in the UK and the US, as to its compliance with applicable requirements, including any current or future remedial actions required to be taken and/or the satisfactory nature of systems and controls, those regulators could take actions, or require the Group to take actions, which would be damaging to Barclays' businesses and which could have a material adverse effect on the Group's operations, financial condition and prospects.

Taxation risk: the Group could suffer financial or reputational damage arising from the way in which it manages its tax affairs

The Group is subject to the tax laws in all countries in which it operates, including tax laws adopted at the EU level, and is impacted by a number of double taxation agreements between countries.

There is risk that the Group could suffer losses due to additional tax charges, other financial costs or reputational damage due to: failure to comply with, or correctly assess the application of, relevant tax law; failure to deal with tax authorities in a timely, transparent and effective manner (including in relation to historic transactions which might have been perceived as aggressive in tax terms); incorrect calculation of tax estimates for reported and forecast tax numbers; or provision of incorrect tax advice. Such charges, or conducting any challenge to a relevant tax authority, could lead to adverse publicity, reputational damage and potentially costs materially exceeding current provisions, in each case to an extent which could have an adverse effect on the Group's operations, financial conditions and prospects.

In addition, any changes to the tax regimes applicable to the Group, could have a material adverse effect on the Group. For example, depending on the terms of the final form of legislation as implemented, the introduction of the proposed EU Financial Transaction Tax (see paragraph 11 in Part VII "Taxation" for more information) could adversely affect certain of the Group's businesses and have a material adverse effect on the Group's operations, financial conditions and prospects.

Conduct and Reputation risks: Damage to the Group's reputation could damage its businesses

Conduct Risk is the risk that detriment is caused to the Group's customers, clients or counterparties or Barclays and its employees because of inappropriate execution of the Group's business activities. Reputation Risk is the risk of damage to the Barclays brand arising from any association, action or inaction which is perceived by stakeholders to be inappropriate or unethical (for example, the industry wide investigation into the setting of LIBOR and other benchmarks and the mis-selling of PPI to consumers). Reputation risk may also arise from past, present or potential failures in corporate governance or management (for example, if Barclays were to provide funding or services to clients without fully implementing anti-money laundering, anti-bribery or similar precautions). In addition, reputation risk may arise from the actual or perceived manner in which Barclays conducts its business activities or in which business activities are conducted in the banking and financial industry generally.

Failure to appropriately manage conduct and reputation risks may reduce — directly or indirectly — the attractiveness of the Group to stakeholders, including customers, and may lead to negative publicity, loss of revenue, litigation, higher scrutiny and/or intervention from regulators, regulatory or legislative action, loss of existing or potential client business, reduced workforce morale, and difficulties in recruiting and retaining talent. Sustained damage arising from conduct and reputation risks could have a materially negative impact on the Group's ability to operate fully and the value of the Group's franchise, which in turn could negatively affect the Group's operations, financial condition and prospects.

Transform programme

The “Transform programme” represents the strategy of the Group, both for improved financial performance and cultural change, and the Group expects to incur significant restructuring charges and costs associated with implementing this strategic plan. In addition, the successful development and implementation of the strategic plan requires difficult, subjective and complex judgements, including forecasts of economic conditions in various parts of the world, and is subject to significant execution risks. For example, the Group’s ability to implement successfully the Transform programme may be adversely impacted by a significant global macroeconomic downturn, legacy issues, limitations in the Group’s management or operational capacity or significant and unexpected regulatory change in countries in which the Group operates. Moreover, progress on the three elements of the Transform programme, or on the various components of these elements (including reduction in costs relative to net operating income), is unlikely to be uniform or linear, and certain targets may be achieved more slowly than others, if at all.

Failure to implement successfully the Transform programme could have a material adverse effect on the Group’s ability to achieve the stated targets and other expected benefits of the Transform programme and there is also a risk that the costs associated with implementing the programme may be higher than the financial benefits expected to be achieved through the programme. In addition, the Group may not be successful in meeting the goals of embedding a culture and set of values across the Group and achieving lasting and meaningful change to the Group’s culture, and this could negatively impact the Group’s operations, financial condition and prospects.

Risks relating to the Rights Issue and the New Ordinary Shares

Barclays’ share price may fluctuate

The market price of the New Ordinary Shares (including the Nil Paid Rights and the Fully Paid Rights) and/or the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the New Ordinary Shares (including the Nil Paid Rights and the Fully Paid Rights), the Ordinary Shares and/or securities of other financial institutions. The fluctuations could result from national and global economic and financial conditions, the market’s response to the Rights Issue, market perceptions of Barclays and various other factors and events, including its ability to manage its existing debt facilities and raise new capital, regulatory changes and adverse legal or regulatory rulings affecting the Group’s operations, variations in the Group’s operating results, business developments of the Group and/or its competitors and liquidity of financial markets. Stock markets experience, from time to time, significant price and volume fluctuations that have affected the market prices for the Ordinary Shares. Furthermore, the operating results and prospects of the Group may, from time to time, be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the New Ordinary Shares (including the Nil Paid Rights and the Fully Paid Rights) and/or the Ordinary Shares.

An active trading market in the Nil Paid Rights or the Fully Paid Rights may not develop

An active trading market in the Nil Paid Rights or the Fully Paid Rights may not develop on the London Stock Exchange during the trading period. In addition, because the trading price of the Nil Paid Rights and the Fully Paid Rights depends on the trading price of the Ordinary Shares, the Nil Paid Rights and the Fully Paid Rights prices may be volatile and subject to the same risks as noted in the risk factor directly above and elsewhere herein.

Shareholders who do not acquire their full entitlement to New Ordinary Shares in the Rights Issue will experience dilution in their ownership of Barclays

If Shareholders do not take up the offer of New Ordinary Shares in the Rights Issue, their proportionate ownership and voting interests in Barclays will be reduced and the percentage that their Shares will represent of the total share capital of Barclays will be reduced accordingly. Even if a Shareholder elects to sell his unexercised Nil Paid Rights, or such Nil Paid Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his percentage ownership of the Company’s share capital that may be caused as a result of the Rights Issue.

Any future issues of Barclays shares will further dilute the holdings of current Barclays Shareholders and could adversely affect the market price of Barclays' shares

Other than the proposed issue of shares under the Rights Issue, Barclays has no current plans for an offering of Ordinary Shares. However, it is possible that Barclays may decide to offer additional Ordinary Shares in the future either to raise capital or for other purposes. If Shareholders did not take up such offer of shares or were not eligible to participate in such offering, their proportionate ownership and voting interests in Barclays would be reduced and the percentage that their Ordinary Shares would represent of the total share capital of Barclays would be reduced accordingly. An additional offering, or significant sales of Ordinary Shares by major Shareholders, could have a material adverse effect on the market price of Barclays' shares as a whole.

Barclays may not be able to pay dividends

As a matter of English law, a company can only pay dividends to the extent that it has distributable reserves and sufficient cash available for this purpose. As a holding company, Barclays' ability to pay dividends in the future is affected by a number of factors, principally its ability to receive funds for such purposes, directly or indirectly, from its operating subsidiaries in a manner which creates distributable reserves for Barclays. Barclays' ability to pay dividends to Shareholders is therefore a function of its existing distributable reserves, future Group profitability and the ability to distribute or dividend profits from its operating subsidiaries up from the Group structure to Barclays. In addition, the Group's ability to pay dividends may also be adversely affected by the servicing of more senior instruments and/or by the application of Article 141 of CRD IV.

The ability of the Group's subsidiaries to pay dividends and Barclays' ability to receive distributions from its investments in other entities is subject to applicable local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws. These laws and restrictions could limit the payment of dividends and distributions to Barclays by its subsidiaries, which could in time restrict Barclays' ability to fund other operations or to pay a dividend to holders of the Existing Ordinary Shares or the New Ordinary Shares.

The payment of any dividends may be further affected by changes to regulation or the requirements and expectations of applicable regulatory authorities. Any such potential changes, in particular the consequences of the implementation of section 165 of the Dodd-Frank Act and potential requirements for funding intermediate holding companies in the United States or similar local capital or ring fencing requirements in other jurisdictions, could adversely affect Barclays' ability to pay dividends in the future.

Further, Barclays' ability to pay dividends in line with its dividend policy may be adversely affected by the performance of the Group's business in general, factors affecting its financial position (including capital and leverage), the economic environment in which the Group operates and other factors outside of Barclays' control. In addition, adjustments to earnings, as determined by the Board, may fluctuate significantly and may materially restrict the ability of Barclays to pay dividends.

Although the Board expects to adopt a 40 – 50% dividend payout policy from 2014, Barclays' ability to pay dividends at that level, if at all, in the future is subject to the factors outlined above.

A Shareholder or an investor whose principal currency is not pounds sterling is exposed to foreign currency risk

The New Ordinary Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. An investment in New Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency risk. Any depreciation of pounds sterling in relation to such foreign currency would reduce the value of the investment in the New Ordinary Shares or any dividends in foreign currency terms, and any appreciation of pounds sterling against such other currency would increase the value in foreign currency terms.

Shareholders outside the UK may not be able to receive the New Ordinary Shares in the Rights Issue

Securities laws of certain jurisdictions may restrict Barclays' ability to allow participation by Shareholders in the Rights Issue. Securities laws of certain other jurisdictions may restrict Barclays' ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company. Qualifying Shareholders who have a registered address in or who are resident in, or who are citizens of, countries other than the UK should consult their professional advisers as to whether they

require any governmental or other consents or need to observe any other formalities to enable them to receive Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters and the New Ordinary Shares in the Rights Issue.

The ability of Overseas Shareholders to bring actions or enforce judgments against Barclays or the Directors may be limited

The ability of an Overseas Shareholder to bring an action against Barclays may be limited under law. Barclays is a public limited company incorporated in England and Wales. The rights of holders of Shares are governed by English law and by Barclays' Articles of Association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations. An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The majority of the Directors and executive officers are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the Directors and executive officers judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors or executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on foreign securities laws brought against Barclays or the Directors in a court of competent jurisdiction in England or other countries.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates (other than the Record Date) in the table below is indicative only and may be subject to change.

	2013
Record Date for entitlement under the Rights Issue for Qualifying Shareholders and Qualifying Sharestore Members	Close of business on 13 September
Despatch of Forms (to Qualifying Certificated Shareholders only)	17 September
Admission	8.00 a.m. on 18 September
Dealings in New Ordinary Shares, nil paid, commence on the London Stock Exchange	8.00 a.m. on 18 September
Existing Ordinary Shares marked “Ex-Rights” by the London Stock Exchange	8.00 a.m. on 18 September
Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only)	As soon as practicable after 8.00 a.m. on 18 September
Nil Paid Rights and Fully Paid Rights enabled in CREST	As soon as practicable after 8.00 a.m. on 18 September
Latest time and date for receipt of instructions from Qualifying Certificated Shareholders (who are eligible) to sell all of their Nil Paid Rights or to effect a Cashless Take-up through the Special Dealing Service	3.00 p.m. on 25 September
Recommended latest time for requesting withdrawal of Nil Paid Rights and Fully Paid Rights from CREST (i.e. if your Nil Paid Rights and Fully Paid Rights are in CREST and you wish to convert them to certificated form)	4.30 p.m. on 26 September
Latest time for depositing renounced Provisional Allotment Letters, nil or fully paid, into CREST or for dematerialising Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights and Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form)	3.00 p.m. on 27 September
Latest time and date for splitting Provisional Allotment Letters, nil paid	3.00 p.m. on 30 September
Latest time and date for acceptance and payment by settlement of an MTM instruction in CREST	2.00 p.m. on 2 October
Latest time and date for receipt of an acceptance, instruction and payment by returning a Form and registration of renounced Provisional Allotment Letters	11.59 p.m. on 2 October
Results of Rights Issue to be announced	8.00 a.m. on 4 October
Dealings in New Ordinary Shares, fully paid, commence on the London Stock Exchange	8.00 a.m. on 4 October
New Ordinary Shares credited to CREST stock accounts	As soon as practicable after 8.00 a.m. on 4 October
Despatch of definitive share certificates for the New Ordinary Shares in certificated form or Sharestore Advice, where relevant	By 17 October

Note:

- (1) The ability to participate in the Rights Issue is subject to certain restrictions relating to Qualifying Shareholders with registered addresses or located or resident in jurisdictions outside the UK, details of which are set out in Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus.
- (2) The times and dates set out in the expected timetable of principal events above and mentioned throughout this Prospectus are indicative only and may be adjusted by Barclays (with the agreement of, in certain circumstances, the Initial Underwriters), in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange and, where appropriate, Qualifying Shareholders.
- (3) Different deadlines and procedures for applications may apply in certain cases. For example, if you hold your Existing Ordinary Shares through a CREST member or other nominee, that person may set an earlier date for application and payment than the dates noted above.
- (4) Holders of ADSs should refer to the US Prospectus for the deadlines and procedures applicable to them.
- (5) References to times in this Prospectus are to London times unless otherwise stated.

RIGHTS ISSUE STATISTICS

Issue Price per New Ordinary Share	185 pence
Basis of Rights Issue	1 New Ordinary Share for every 4 Existing Ordinary Shares
Number of Existing Ordinary Shares in issue at the date of this Prospectus	12,876,271,472
Number of New Ordinary Shares to be issued by the Company pursuant to the Rights Issue ⁽¹⁾	3,219,067,868
Number of Ordinary Shares in issue immediately following completion of the Rights Issue ⁽¹⁾	16,095,339,340
New Ordinary Shares as a percentage of the enlarged issued share capital of the Company immediately following completion of the Rights Issue ⁽¹⁾	20%
Estimated net proceeds receivable by the Company ⁽²⁾	£5.823 billion
Estimated expenses of the Rights Issue	£132 million

Note:

- ⁽¹⁾ On the assumption that no further Ordinary Shares are issued between the date of this Prospectus and closing of the Rights Issue (other than pursuant to the Rights Issue). Includes entitlements to New Ordinary Shares in respect of Ordinary Shares issued on 13 September 2013 to participants in the Scrip Dividend Programme for the second interim dividend of one pence per Ordinary Share.
- ⁽²⁾ Assuming take up in full of the New Ordinary Shares.

IMPORTANT INFORMATION

Presentation of financial information

The Company publishes its financial statements in pounds sterling (“£” or “pounds sterling”). The abbreviation “£mn” represents millions of pounds sterling, the abbreviation “£bn” represents billions of pounds sterling and references to “pence” and “p” represent pence in the UK.

The financial information presented in a number of tables in this Prospectus has been rounded to the nearest whole number or the nearest decimal place. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Capital and Leverage Ratios

Unless otherwise stated, statements made in this Prospectus in relation to the PRA Leverage Ratio, CRD IV Leverage Ratio, CRD IV Leverage Exposure, CET1 capital ratio, CET1 capital and Risk Weighted Assets reflect Barclays’ best interpretation as at 12 September 2013 (being the latest practicable date prior to the date of this Prospectus for these purposes) of the application of published CRD IV legislation, the PRA’s Consultation Paper CP5/13 “Strengthening capital standards: implementing CRD IV”, published in August 2013, and additional guidance provided by the PRA. The critical assumptions applied and basis of preparation adopted with regard to the expected implementation and calculation of these measures is set out below.

The CRD IV-based measures have been calculated on the basis of Barclays’ current interpretation of CRD IV, which is not yet in force. Historically, measures presented on a “transitional” basis have been calculated by taking into account transitional provisions set out in CRD IV and interpretive guidance dated 26 October 2012 published by the FSA and in the case of Barclays’ most recent reported financial statements assuming they were applied as at 30 June 2013 or such other dates as are specified. Measures presented on a “fully loaded” basis are calculated without applying CRD IV transitional provisions.

The final impact of CRD IV is dependent on technical standards to be finalised by the EBA and on the final UK implementation of the rules. The actual impact of CRD IV on capital ratios may be materially different to the estimates disclosed as there are interpretative issues outstanding and related technical standards have not yet been finalised. This would impact, for example, provisions relating to the scope of application of the CVA volatility charge, the treatment of minority interest and restrictions on short hedges relating to non-significant financial holdings. The actual impact will also be dependent on required regulatory approvals and the extent to which further management action is taken prior to implementation.

CRD IV, Models and Waivers

Barclays has estimated its CRD IV CET1 ratio, capital resources and RWAs based on the final CRD IV text assuming the rules applied as at 30 June 2013 on both a transitional and fully loaded basis.

- The estimates assume that all material items in the Internal Model Method application to the PRA are approved and existing waivers, where such discretion is available under CRD IV, will continue.
- Transitional CET1 capital is based on application of the CRD IV transitional provisions and the PRA’s guidance on their application. In line with this guidance, adjustments for own shares and interim losses are assumed to transition in at 100%. Other deductions (including goodwill and intangibles, expected losses over impairment and DVA) transition in at 20% in year 1 (except for AFS debt and equity gains which are 0% in the first year), 40% in year 2, 60% in year 3, 80% in year 4 with the full impact in subsequent years. For the purpose of 30 June 2013 disclosures, the PRA have requested that banks assume 2013 is year 1 of transition. However, our disclosures of CRD IV impacts in previous announcements have reflected 2014 as the first year of application in line with the actual CRD IV implementation date.
- The PVA deduction is shown as fully deducted from CET1 upon adoption of CRD IV. PVA is subject to a technical standard being drafted by the EBA and therefore the impact is currently based on methodology agreed with the PRA. The PVA deduction as at 30 June 2013 is £2.1 billion gross of tax (December 2012: £1.5 billion gross of tax, £1.2 billion net of tax), with the increase principally reflecting methodology changes during 2013.

- As at 30 June 2013, net long non-significant holdings in financial entities were £9.3 billion. This exceeds 10% of CET1 capital resources, which would result in a deduction from CET1 of £2.5 billion in the absence of identified management actions to eliminate this deduction. The EBA consultation on Technical Standards for Own funds — Part III identifies potential changes to the calculation that are not reflected in the estimate, including the treatment of tranche positions as indirect holdings, the use of notional values for synthetic exposures and the widening of the scope of eligible entities to include Barclays’ defined pension benefit funds. Depending on the final implementation and further clarification on the application of the proposals, these changes would potentially have a material impact on the calculation of the non-significant holdings deduction.
- The impact of changes in the calculation of allowable minority interest may be different pending the finalisation of the EBA’s technical standards on own funds, particularly regarding the treatment of non-financial holding companies and the equivalence of overseas regulatory regimes. The estimated CRD IV numbers calculate the full impact and transitional capital base on the assumption that the Group’s holding companies will be deemed eligible and their surplus capital due to minority interests consolidated in accordance with CRD IV rules. Our estimated CRD IV full end point CET1 capital base includes £1.7 billion of minority interests relating to Barclays Africa Group Limited.

Risk Weighted Assets

- It is assumed that corporates, pension funds and sovereigns that meet the eligibility conditions are exempt from CVA volatility charges.
- It is assumed all Central Clearing Counterparties (CCPs) will be deemed to be “Qualifying”. The final determination of Qualifying status will be made by the European Securities and Markets Authority (“ESMA”).
- The estimated RWA increase from CRD IV includes 1250% risk weighting of securitisation positions while estimated capital includes an add back of 50/50 securitisations deducted under the current rules.
- Estimated RWAs for definition of default assume that national discretion over 180 days definition of default remains for UK retail mortgages.
- “Other” CRD IV impacts to RWAs include adjustments for withdrawal of national discretion of definition of default relating to non UK mortgage retail portfolios (£1.3 billion), Deferred Tax Assets (£2.4 billion), Significant Holdings in financial institutions (£2.4 billion), other counterparty credit risk (£4.5 billion) and other items.

RWAs are sensitive to market conditions. The estimated impact on RWAs for all periods reflects market conditions as at 30 June 2013.

Leverage ratio calculation

The key adjustments to total assets under the CRD IV leverage ratio are as follows:

- Derivatives netting adjustments: netting permitted for regulatory purposes in relation to derivative assets against corresponding liabilities.
- Potential Future Exposure on derivatives: regulatory add on for potential future credit exposures, calculated in accordance with the CRD IV mark-to-market method by assigning standardised percentages to notional values on derivative contracts. Following clarification in the final CRD IV text, exchange traded and cleared OTC derivative exposures are now included in the calculation on a gross basis.
- Securities Financing Transactions (“SFTs”) adjustments: under CRD IV, the IFRS measure of SFTs is replaced with the Financial Collateral Comprehensive Method (FCCM) measure, calculated as exposure less collateral, taking into account master netting agreements and adjusting for volatility.
- Undrawn Commitments: regulatory add on relating to off balance sheet undrawn commitments based on a credit conversion factor of 10% for unconditionally cancellable commitments and 100% for other commitments. The rules specify additional relief to be applied to trade finance related undrawn commitments which are medium/low risk (20%) and medium risk (50%). For Barclays, this relief is not estimated to be material.

- Regulatory deductions: items (comprising goodwill and intangibles, deferred tax asset losses, own paper, cash flow hedge reserve, pension assets and PVA) that are deducted from the capital measure are also deducted from total leverage exposure to ensure consistency between the numerator and denominator.
- Other adjustments: includes adjustments required to change from an IFRS scope of consolidation to a regulatory scope of consolidation, adjustments for significant investments in financial sector entities that are consolidated for accounting purposes but not for regulatory purposes, and the removal of IFRS netting between loans and advances and customer balances.

International Financial Reporting Standards (“IFRS”)

The Company’s consolidated historical financial information have been prepared in accordance with IFRS and interpretations (“IFRICs”) issued by the Interpretations Committee, as published by the International Accounting Standards Board. They are also in accordance with IFRS and IFRIC interpretations endorsed by the European Union.

On 16 April 2013 the Company published a “Group Reporting Changes” document that detailed the impact of implementing IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011). It also outlined the impact to the Group’s segmental results of the allocation of elements of the Head Office results to businesses and portfolio restatements between businesses. Changes were effective from 1 January 2013.

On 6 September 2013, the Group filed with the SEC on Form 6-K restated audited consolidated historical financial information for the years ended 31 December 2010, 2011 and 2012, reflecting these changes on the Company’s consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for the years ended 31 December 2010, 2011 and 2012 and the Company’s consolidated balance sheets as at 31 December 2011 and 2012 and the associated notes relating thereto, together with an independent registered public accounting firm’s report in respect thereof. References in this Prospectus to historical financial information which is presented on a “restated” basis is to historical financial information as filed with the SEC on such Form 6-K.

The historical financial information on Barclays incorporated by reference into Part IV “*Financial Information on Barclays*” of this Prospectus includes restated historical financial information for the years ended 31 December 2011 and 2012.

Certain non-IFRS measures

This Prospectus includes certain financial measures that are not IFRS measures. Barclays believes that these non-IFRS measures are important to understanding the background of and rationale for, the Rights Issue as well as Barclays’ capital and leverage position in light of the anticipated implementation of CRD IV and the introduction of the PRA Leverage Ratio target.

Barclays’ interpretation of CRD IV and the basis of Barclays’ calculation of CRD IV-based measures may be different from those of other financial institutions. This Prospectus includes the following CRD IV-based metrics, which are described in more detail in Part X “*Definitions*”.

- CRD IV CET1 or CET1 capital on a transitional and fully loaded basis. See the “*Estimated Impact of CRD IV — Capital*” table below for a reconciliation of CRD IV CET1 to Core Tier 1 capital, which is calculated on the basis currently applied to Barclays under existing UK regulatory requirements.
- CRD IV Risk Weighted Assets (RWAs) on a transitional and fully loaded basis. See the “*Estimated Impact of CRD IV — Capital*” table below for a reconciliation of CRD IV RWAs to RWAs calculated on the basis currently applied to Barclays under existing UK regulatory requirements.
- Fully loaded CET1 ratio and CET1 ratio on a transitional basis, each representing CRD IV CET1 divided by RWAs. See the “*Estimated Impact of CRD IV — Capital*” table below for a reconciliation of the components of the fully loaded CET1 ratio and CET1 ratio on a transitional basis to the respective components of the Core Tier 1 ratio, which is calculated on the basis currently applied to Barclays under existing UK regulatory requirements.
- CRD IV Leverage Exposure on a transitional and fully loaded basis. CRD IV Leverage Exposure makes certain adjustments to total assets in accordance with Barclays’ interpretation of CRD IV requirements. See the “*Estimated Impact of CRD IV — Leverage*” table below for a reconciliation of CRD IV Leverage Exposure to total assets.

- CRD IV Leverage Ratio on a transitional and fully loaded basis, which represents CRD IV Tier 1 divided by CRD IV Leverage Exposure. See the “*Estimated Impact of CRD IV — Capital*” table below for a reconciliation of CRD IV CET1 to Core Tier 1 capital, and see the “*Estimated Impact of CRD IV — Leverage*” table below for a reconciliation of CRD IV Leverage Exposure to total assets.

The PRA-adjusted fully loaded CET1 capital and PRA Leverage Ratio apply the PRA Adjustments to Barclays’ fully loaded CRD IV CET1 capital base. A reconciliation of the PRA Leverage Ratio to Barclays’ CRD IV Leverage Ratio is also shown in the table entitled “*Estimated CRD IV Leverage Ratio and PRA Leverage Ratio*”.

<u>Estimated Impact of CRD IV — Capital</u>	CET1 Transitional	CET1 Fully-Loaded
	As at 30 June 2013 (£bn)	
Core Tier 1 capital (FSA 2009 definition)	42.9	42.9
Risk Weighted Assets (RWA) (current Basel 2.5 rules)	387.2	387.2
Core Tier 1 ratio (Basel 2.5)	11.1%	11.1%
<i>CRD IV impact on Core Tier 1 capital</i>		
<i>Adjustments not impacted by transitional provisions</i>		
Conversion from securitisation deductions to RWAs	0.8	0.8
Prudential Valuation Adjustment (PVA)	(2.1)	(2.1)
Other	(0.2)	(0.2)
<i>Adjustments impacted by transitional provisions</i>		
Goodwill and intangibles	6.1	—
Expected losses over impairment	0.4	(1.0)
Deferred tax assets deduction	(0.4)	(1.9)
Excess minority interest	(0.2)	(0.6)
Debit Valuation Adjustment (DVA)	(0.1)	(0.3)
Gains on available for sale equity and debt	—	0.5
Non-significant holdings in Financial Institutions	(0.5)	(2.5)
Mitigation of non-significant holdings in Financial Institutions	0.5	2.5
CET1 capital	47.2	38.1
<i>CRD IV impact to RWAs:</i>		
Credit Valuation Adjustment (CVA)	32.2	32.2
Securitisation	19.0	19.0
Central Counterparty Clearing	21.7	21.7
Other	11.4	11.4
Gross Impact	84.3	84.3
RWAs (CRD IV)	471.5	471.5
CET1 ratio	10.0%	8.1%
Final CRD IV text basis as at 30 June 2013 (£bn)		
<u>Estimated Impact of CRD IV — Leverage</u>		
Leverage exposure		
Derivative financial instruments		403
Reverse repurchase agreements and other similar secured lending		223
Loans and Advances and other assets		907
Total assets		1,533
<i>CRD IV exposure measure adjustments</i>		
<i>Derivatives</i>		
Netting adjustments for derivatives		(324)
Potential Future Exposure on derivatives		308

<u>Estimated Impact of CRD IV — Leverage</u>	<u>Final CRD IV text basis as at 30 June 2013</u> (£bn)
<i>Securities Financing Transactions (SFTs)</i>	
Remove net IFRS SFTs	(223)
Add leverage exposure measure for SFTs	93
<i>Other adjustments</i>	
Undrawn commitments	190
Regulatory deductions and other adjustments	(18)
Fully-loaded CRD IV Leverage exposure measure	1,559
Transitional adjustments to assets deducted from Tier 1 Capital	2
Transitional CRD IV Leverage exposure measure	1,561
	Leverage Ratio Final CRD IV Text Basis as at 30 June 2013
<u>Leverage Ratio as at 30 June 2013</u>	Tier 1 Capital (£bn)
Transitional measure ¹	48.2
Adjusted fully loaded point measure ²	47.9
Fully-loaded measure ³	38.3
	(%)
	3.1
	3.1
	2.5

- ¹ Tier 1 capital is calculated as the transitional CRD IV measure assuming 2013 is the first year of implementation. Regulatory deductions are adjusted to reflect the transitional impact on Tier 1 capital.
- ² Tier 1 capital is calculated as the fully loaded CRD IV measure with all ineligible Tier 1 instruments added back. Regulatory deductions reflect the fully-loaded impact on Tier 1 capital.
- ³ Tier 1 capital is calculated as the fully loaded CRD IV measure. Regulatory deductions reflect the fully loaded impact on Tier 1 capital.

<u>Estimated CRD IV Leverage Ratio and PRA Leverage Ratio as at 30 June 2013 (£bn)</u>	<u>FY 12 Pillar 3</u>	<u>Revised CRD IV & other refinements</u>	<u>FY 12 revised estimate</u>	<u>H1 13 movements</u>	<u>H1 13</u>
Derivative financial assets	469	—	469	(66)	403
Reverse repo and other similar secured lending	177	—	177	46	223
Loans and advances and other assets	844	(2)	842	65	907
Total assets (IFRS balance sheet)	1,490	(2)	1,488	45	1,533
<i>Derivatives netting adjustment</i> ⁽¹⁾	(390)	—	(390)	66	(324)
<i>Potential future exposure (PFE) add-on</i> ⁽²⁾	161	126	287	21	308
<i>SFT adjustments</i> ⁽³⁾	(5)	(53)	(58)	(72)	(130)
<i>Undrawn commitments</i> ⁽⁴⁾	179	8	187	3	190
<i>Regulatory deductions & other adj.</i>	(22)	6	(16)	(2)	(18)
CRD IV leverage exposure measure adjustments	(77)	87	10	16	26
CRD IV Leverage Exposure	1,413	85	1,498	61	1,559
CRD IV fully loaded Tier 1 capital	40.0	(2.5)	37.5	0.8	38.3
CRD IV Leverage Ratio	2.8%	(0.3%)	2.5%	—	2.5%
CRD IV fully loaded CET1 capital	39.8	(2.5)	37.3	0.8	38.1
<i>Additional Prudential Value Adjustment</i>					(2.1)
<i>Other valuation adjustments.</i>					(2.0)
PRA Adjustments					(4.1)
PRA adjusted fully loaded CET 1 capital					34.0
PRA Leverage Ratio					2.2%
CET1 capital gap to 3% PRA Leverage Ratio target ..					12.8
CRD IV Leverage Exposure gap to 3% PRA Leverage target					427

- ⁽¹⁾ Derivatives netting adjustment: Regulatory netting applied across asset and liability mark-to-market derivative positions, pursuant to legally enforceable bilateral netting agreements and otherwise meeting the requirements set out in CRD IV.
- ⁽²⁾ Potential Future Exposure (PFE) add-on: Regulatory add-on for potential future credit exposure on both exchange-traded and OTC derivative contracts, calculated by assigning a standardised percentage (based on underlying risk category and residual trade maturity) to the gross notional value of each contract. The PFE measure recognises some netting benefits where legally

enforceable bilateral netting agreements are in place, but these are floored at 40% of gross PFE by netting set, regardless of whether a positive or negative mark-to-market exists at the individual trade level. Identified low risk management actions to reduce PFE add-ons are expected through improved application of existing legal netting agreements and further data quality enhancements.

- (3) Securities Financing Transactions (SFT) adjustments: Under CRD IV the IFRS exposure measure for SFTs (e.g. repo/reverse repo) is replaced with the Financial Collateral Comprehensive Method (FCCM) measure. FCCM is calculated as exposure less collateral, taking into account legally enforceable master netting agreements, with standardised adjustments to both sides of the trade for volatility and currency mismatches. Identified low risk management actions to reduce SFT leverage exposure under CRD IV are expected through improvements in the application of collateral and enhanced trade and counterparty data.
- (4) Undrawn Commitments: Regulatory add-on relating to off balance sheet undrawn commitments based on a credit conversion factor of 10% for unconditionally cancellable commitments and 100% for other commitments. The rules specify additional relief to be applied to trade finance related undrawn commitments which are medium/low risk (20%) and medium risk (50%). For Barclays, this relief is not estimated to be material.

The Company also presents adjusted financial information and other performance metrics to provide a more consistent basis for comparing business performance between periods and to provide more detail concerning the elements of performance which management is most directly able to influence or are relevant for an assessment of Barclays. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays' management. Key non-IFRS measures included in this Prospectus, 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 excludes the impact of own credit; gains on debt buy-backs; impairment and disposal of the investment in BlackRock, Inc.; the provision for PPI redress; the provision for interest rate hedging products redress; goodwill impairments; and gains and losses on acquisitions and disposals;
- Adjusted net operating income represents net operating income excluding the impact of own credit, gains on debt buy-backs and gain/(loss) on disposal of the strategic investment in BlackRock, Inc.;
- Adjusted cost: income ratio represents cost: income ratio excluding the impact of own credit, gains on debt buy-backs, gain on disposal of strategic investment in BlackRock, Inc., the provision for PPI redress, provision for interest rate hedging product redress, and goodwill impairment. The comparable IFRS measure is cost: income ratio, which represents operating expenses to income net of insurance claims; and
- Adjusted return on average shareholders equity represents adjusted profit attributable to equity holders of the parent divided by average equity. The comparable IFRS measure is return on average shareholders equity, which represents profit attributable to equity holders of the parent divided by average equity.

Quantitative reconciliations of such adjusted financial information to the most directly comparable IFRS measures are either set out below or appear in the following listed documents (the relevant information in which is incorporated into this Prospectus by reference):

- With respect to adjusted financial information for the six months ended 30 June 2013 and 2012, see page 4 ("*Performance Highlights — Barclays Unaudited Results*") of Barclays' Interim Results Announcement 2013 filed with the SEC on Form 6-K on 30 July 2013 (File No. 001-09426, Film No. 13996454).
- With respect to adjusted financial information for the years ended 31 December 2011 and 2010, see pages 273–276 ("*Additional Information — Reconciliation of non-IFRS figures to IFRS figures*") of Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012.

- With respect to adjusted restated financial information for the years ended 31 December 2012 and 2011, see below for the adjusting items:

<u>Adjusting items</u>	<u>2012</u> <i>(restated)</i>	<u>2011</u> <i>(restated)</i>
	<i>(£mn)</i>	
Statutory net operating income	21,669	26,690
Own Credit	4,579	(2,708)
Gains on debt buy-backs	—	(1,130)
(Gain)/loss on disposal and impairment of BlackRock investment	(227)	1,858
Adjusted net operating income	26,021	24,711
Statutory profit before tax	797	5,770
Own Credit	4,579	(2,708)
Gains on debt buy-backs	—	(1,130)
(Gain)/loss on disposal and impairment of BlackRock investment	(227)	1,858
Provision for PPI redress	1,600	1,000
Provision for interest rate hedging products redress	850	—
Goodwill impairment	—	597
Losses on acquisitions and disposals	—	94
Adjusted profit before tax	7,599	5,482
Statutory cost: income ratio	84%	65%
Statutory total income net of insurance claims	25,009	32,292
Own Credit	4,579	(2,708)
Gains on debt buy-backs	—	(1,130)
(Gain)/loss on disposal of BlackRock investment	(227)	58
Adjusted total income net of insurance claims	29,361	28,513
Statutory operating expenses	(21,012)	(20,886)
Provision for PPI redress	1,600	1,000
Provision for interest rate hedging products redress	850	—
Goodwill impairment	—	597
Adjusted operating expenses	(18,562)	(19,289)
Adjusted cost: income ratio	63%	68%
Statutory profit attributable to equity holders of the parent	(624)	2,924
Post tax impact of adjusting items	5,259	(315)
Adjusted profit attributable to Equity holders of the parent	4,635	3,239

Forward-looking statements

This document contains certain forward-looking statements with respect to certain of the Barclays 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", "projected", "expect", "estimate", "intend", "plan", "goal", "believe", "achieve" 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 and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs, original and revised commitments and targets in connection with the Transform programme, deleveraging actions, 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. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards (IFRS), evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the

impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK domestic, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the Group; the potential for one or more countries exiting the Eurozone; the ability to implement the Transform programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. The list above is not exhaustive and there are other factors that may cause the Company's actual results to differ materially from the forward-looking statements contained in this Prospectus. You are also advised to read carefully the risk factors set out on pages 22 to 37 of this Prospectus for a discussion of certain factors that should be considered when deciding what action to take in relation to the Rights Issue.

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information or future events. Except as required by the FCA, the London Stock Exchange, the Prospectus Directive, the Listing Rules, the Disclosure and Transparency Rules, the SEC or applicable law, Barclays, the Banks and their respective affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained herein 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 or otherwise.

Nothing in this Prospectus is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per Barclays share for the current or future financial years will necessarily match or exceed the historical published earnings per Barclays share.

Notice to all overseas investors

All Overseas Shareholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this Prospectus or any Form, if and when received, or other document to a jurisdiction outside the UK, should read paragraph 2.5 of Part II "*Terms and Conditions of the Rights Issue*" of this Prospectus.

United States and Canada

This document is intended only for use in connection with the Rights Issue outside of the United States and Canada and is not to be given or sent, in whole or in part, to any person within the United States or Canada.

In the United States, the Rights Issue is being made pursuant to the US Prospectus. The US Prospectus will be available for free on the SEC's website at www.sec.gov or by accessing Barclays' website at Barclays.com/rightsissue. If you have received this document and you are a US holder of Existing Ordinary Shares or a holder of ADSs wherever located, you should receive a notice informing you of how to access the US Prospectus electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the US Prospectus. Copies of the US Prospectus may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc, 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in the US and Canada).

In Canada, the Rights Issue is being made pursuant to the Canadian Offering Memorandum that incorporates by reference the US Prospectus. The Canadian Offering Memorandum is available for free by accessing Barclays' website at Barclays.com/rightsissue. If you have received this Prospectus and you are a holder in Canada of Existing Ordinary Shares or ADSs, you should receive a notice informing you of how to access the Canadian Offering Memorandum electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the Canadian Offering Memorandum. Copies of the Canadian Offering Memorandum may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc., 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in Canada).

Member States of the European Economic Area (other than the United Kingdom)

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (except the UK) (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, none of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights may be offered or sold to the public in that Relevant Member State prior to the publication of this Prospectus in relation to the New Ordinary Shares, the Nil Paid Rights and the Fully Paid Rights, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another in the Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive (as defined below), other than the offers contemplated in this Prospectus in a Relevant Member State after the date of such publication or notification, and except that an offer of such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares may be made to the public in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Initial Underwriters for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any New Ordinary Shares, the Nil Paid Rights or Fully Paid Rights or to whom any offer is made under the Rights Issue will be deemed to have represented, acknowledged, and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive.

For the purposes of this selling restriction, the expression an “offer of New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights to the public” in relation to any New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights to be offered so as to enable an Investor to decide to acquire the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights, as the same may be varied in that Relevant Member State, and the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

In the case of the New Ordinary Shares, the Nil Paid Rights or Fully Paid Rights being offered to a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights acquired by it has not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any New Ordinary Shares, the Nil Paid Rights or Fully Paid Rights to the public other than their offer or resale in a Relevant Member State to “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive. The Company, the Banks and their respective affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Australia

This Prospectus does not constitute a disclosure document under Part 6D.2 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act 2001 (Cth)**”). Accordingly, this Prospectus does not necessarily contain all of the information a prospective investor would expect to be contained in an offering document or which he/she may require to make an investment decision. The offer to which this Prospectus relates is being made in Australia in reliance on Class Order 00/183 issued by the Australian Securities and Investments Commission. This Prospectus only constitutes an offer in Australia for sale of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares to persons who are recorded as members of the Company on the register at the close of business on the Record Date.

As any offer for the issue of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares under this Prospectus will be made without disclosure in Australia under Part 6D.2, the offer of those Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares for resale in Australia within 12 months of their sale may, under section 707(3) of the Corporations Act 2001 (Cth), require disclosure to investors under Part 6D.2 if none of the exemptions in section 708 of the Corporations Act 2001 (Cth) apply to that resale.

This Prospectus is intended to provide general information only and has been prepared by the Company without taking into account any particular person's objectives, financial situation or needs. Recipients should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. Recipients should review and consider the contents of this document and obtain financial advice (or other appropriate professional advice) specific to their situation before making any decision to accept the offer of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares. This document was prepared under the law and operating rules of a foreign market. The Company is not subject to the continuous disclosure requirements of the Corporations Act 2001 (Cth).

Bermuda

The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares being offered may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003 of Bermuda (as amended). Additionally, non-Bermudian persons may not carry on or engage in any trade or business in Bermuda unless such persons are authorized to do so under applicable Bermuda legislation. Engaging in the activity of offering or marketing Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda.

Japan

The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan, as amended (the "FIEA"). This document is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEA and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

This document has not been delivered for registration to the Registrar of Companies in Hong Kong and its contents have not been reviewed by any regulatory authority in Hong Kong. Accordingly: (i) the rights may not be offered or sold in Hong Kong by means of any document other than to persons who are "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and the Securities and Futures (Professional Investor) Rules made thereunder or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and (ii) no person may issue any invitation, advertisement or other document relating to the Rights Issue whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the rights which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and the Securities and Futures (Professional Investor) Rules made thereunder.

The People's Republic of China

Neither the Nil Paid Rights nor the Fully Paid Rights nor the New Ordinary Shares may be offered or sold directly or indirectly within the PRC. This document or any information contained or incorporated by reference herein relating to the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. This document, any information contained herein, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares have not been, and will not be, submitted to, approved by, verified by or registered with any relevant

governmental authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares in the PRC. The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may only be invested by the PRC investors that are authorised to engage in the investment in the securities of the type being offered or sold. Investors are responsible for obtaining all relevant governmental approvals, verifications, licences or registrations (if any) from all relevant PRC governmental authorities, including, but not limited to, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking Regulatory Commission, and other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations.

Qatar

The investments described in this Prospectus have not been, and will not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering.

This Prospectus has not been, and will not be, filed with, reviewed by or approved by the Qatar Central Bank, the Qatar Financial Markets Authority or any other relevant Qatari authority. This Prospectus is intended for the original recipient only and should not be provided to any other person. It is not for general circulation in the State of Qatar and should not be reproduced or used for any other purpose.

Switzerland

The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Issuer, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (“FINMA”).

United Arab Emirates (“UAE”)

This Prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

By receiving this Prospectus, the person or entity to whom it has been issued understands, acknowledges and agrees that this Prospectus has not been approved by or filed with the UAE Central Bank, the UAE Securities and Commodities Authority (“SCA”) or any other authorities in the UAE, nor has the placement agent, if any, received authorisation or licensing from the UAE Central Bank, the SCA or any other authorities in the UAE to market or sell securities or other investments within the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE. It should not be assumed that the placement agent, if any, is a licensed broker, dealer or investment advisor under the laws applicable in the UAE, or that it advises individuals resident in the UAE as to the appropriateness of investing in or purchasing or selling securities or other financial products. The Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not be offered or sold directly or indirectly to the public in the UAE. This does not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise.

Information not contained in this document

No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by Barclays. Neither the delivery of this Prospectus nor any acquisition or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Barclays since the date of this Prospectus or that the information contained in this Prospectus is correct as at any time subsequent to its date.

No incorporation of website information

The contents of Barclays' website do not form part of this Prospectus.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Function
Sir David Walker	Chairman
Antony Jenkins	Group Chief Executive
Sir Michael Rake	Deputy Chairman and Senior Independent Director
David Booth	Non-executive Director
Tim Breedon CBE	Non-executive Director
Fulvio Conti	Non-executive Director
Simon Fraser	Non-executive Director
Reuben Jeffery III	Non-executive Director
Dambisa Moyo	Non-executive Director
Frits van Paasschen	Non-executive Director
Diane de Saint Victor	Non-executive Director
Sir John Sunderland	Non-executive Director

The business address of each of the Directors is the Company's registered address at 1 Churchill Place, London E14 5HP, United Kingdom.

Prospective Directors	Function
Mike Ashley	Non-executive Director (with effect from 18 September 2013)
Tushar Morzaria	Group Finance Director (with effect from 15 October 2013)

Company Secretary
Lawrence Dickinson

Registered office
1 Churchill Place
London E14 5HP
United Kingdom

Global Co-ordinator and Joint Bookrunner
Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Sponsor, Joint Bookrunner and Initial Underwriter
Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ
United Kingdom

Initial Underwriter
Credit Suisse AG, London Branch
One Cabot Square,
Canary Wharf,
London E14 4QJ
United Kingdom

Joint Bookrunner and Initial Underwriter
Deutsche Bank AG, London Branch
Winchester House
One Great Winchester Street
London EC2N 2DM
United Kingdom

Joint Bookrunner and Initial Underwriter
Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Joint Bookrunner and Initial Underwriter
BofA Merrill Lynch
2 King Edward Street
London EC1A 1HQ
United Kingdom

Joint Bookrunner and Additional Underwriter
ABN AMRO Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Joint Bookrunner and Additional Underwriter
Banco Santander S.A.
Paseo de Pereda 9-12
Santander C.P. 39004
Spain

Joint Bookrunner and Additional Underwriter
BNP PARIBAS
16, boulevard des Italiens
75009 Paris
France

Joint Bookrunner and Additional Underwriter
ING Bank N.V.
Bijlmerplein 888
1102 MG Amsterdam
The Netherlands

Joint Bookrunner and Additional Underwriter
J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Joint Bookrunner and Additional Underwriter
Mediobanca — Banca di Credito Finanziario S.p.A.
Piazzetta E. Cuccia, 1
20121 Milan
Italy

Joint Bookrunner and Additional Underwriter
Morgan Stanley Securities Limited
25 Cabot Square
London E14 4QA
United Kingdom

Joint Bookrunner and Additional Underwriter
RBC Europe Limited
Riverbank House
2 Swan Lane
London EC4R 3BF
United Kingdom

Joint Bookrunner and Additional Underwriter
SMBC Nikko Capital Markets Limited
One New Change
London EC4M 9AF
United Kingdom

Auditors and Reporting Accountants
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
United Kingdom

Legal Advisers to Barclays as to English law
Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ
United Kingdom

Legal Advisers to Barclays as to United States law
Sullivan & Cromwell LLP
1 New Fetter Lane
London EC4A 1AN
United Kingdom

Legal Advisers to the Global Co-ordinator, Sponsor, Joint Bookrunners and Underwriters as to English and United States law
Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London EC4Y 1HS
United Kingdom

Registrars and Receiving Agent
Equiniti Limited and Equiniti Financial Services Limited (“The Registrar to Barclays”)
Corporate Actions
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
United Kingdom

PART I:
LETTER FROM THE CHAIRMAN OF BARCLAYS PLC



BARCLAYS PLC

*(incorporated and registered in England and Wales
with registered number 48839)*

Directors

Sir David Walker	Chairman
Antony Jenkins	Group Chief Executive
Sir Michael Rake	Deputy Chairman and Senior Independent Director
David Booth	Non-executive Director
Tim Breedon CBE	Non-executive Director
Fulvio Conti	Non-executive Director
Simon Fraser	Non-executive Director
Reuben Jeffery III	Non-executive Director
Dambisa Moyo	Non-executive Director
Frits van Paasschen	Non-executive Director
Diane de Saint Victor	Non-executive Director
Sir John Sunderland	Non-executive Director

Prospective Directors

Mike Ashley	Non-executive Director (with effect from 18 September 2013)
Tushar Morzaria	Group Finance Director (with effect from 15 October 2013)

Dear Shareholder

16 September 2013

1 for 4 Rights Issue at 185 pence per New Ordinary Share

1. Introduction

On 30 July 2013, Barclays announced an underwritten rights issue to raise approximately £5.8 billion (net of expenses). The purpose of this letter is to set out the background to and the reasons for the Rights Issue, explain why your Board believes it is in the best interests of Barclays and its shareholders as a whole and provide details of how you can participate.

The Rights Issue is one of a series of actions comprising the Leverage Plan which your Board has decided to take in order to address a leverage ratio target which has been recently introduced by our primary prudential regulator, the UK Prudential Regulation Authority (the "PRA"). Further details on the background to this leverage ratio target and the Leverage Plan (including the other actions Barclays intends to take) are set out in section 2 of this letter.

The Leverage Plan has been discussed and agreed with the PRA, which announced on 30 July 2013 that it had considered all elements of the plan and, based on our projections, concluded that the Leverage Plan was a credible plan to meet a PRA Leverage Ratio target of 3% by the end of June 2014 without cutting back on lending to the real economy.

Under the terms of the Rights Issue, Barclays is offering 3,219,067,868 New Ordinary Shares by way of rights to Qualifying Shareholders at 185 pence per New Ordinary Share. This represents a discount of approximately:

- 40.1% to the Closing Price of 309.05 pence on 29 July 2013 (being the last Business Day prior to the release of the announcement of the Rights Issue);
- 34.9% to the theoretical ex-rights price of 284.2 pence, based on the Closing Price on 29 July 2013; and
- 38.7% to the Closing Price of 301.6 pence on the Record Date (being the last Business Day prior to the date of this letter).

The Rights Issue is being made on the basis of one New Ordinary Share for every four Existing Ordinary Shares held by Shareholders at close of business on the Record Date. The Rights Issue is underwritten by the Underwriters on the terms and subject to the conditions of the Underwriting Agreement, which requires, amongst other things, the Underwriters to subscribe for any Underwritten Shares not taken up under the Rights Issue at the Issue Price.

Section 13 of this letter and paragraph 2 of Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus set out the actions to be taken by Qualifying Shareholders and Qualifying Sharestore Members who wish to take up their entitlements under the Rights Issue.

Further information on the Rights Issue (including the full terms and conditions of the Rights Issue) is set out in the remainder of this Prospectus. You should read the whole of this Prospectus, any Form you receive and the documents (or parts thereof) incorporated herein by reference before taking any decision in connection with the Rights Issue.

Barclays is also filing with the SEC a separate US Prospectus for US Holders and for holders of ADSs. The US Prospectus will also be available at Barclays.com/rightsissue.

A list of defined and technical terms used in this letter is included in Part X “*Definitions*” of this Prospectus.

2. Background to and reasons for the Rights Issue

The Regulatory Background

In 2010, the Basel Committee on Banking Supervision (the “BCBS”) published new guidelines, commonly known as “Basel III”, to strengthen the regulation, supervision and risk management of the banking sector. These guidelines will become law in the UK and Europe through implementation of the Fourth Capital Requirements Directive and Regulation, referred to as “CRD IV”, which were finalised and published in the Official Journal of the EU in June 2013. The Directive is required to be implemented into national law by EU Member States by 31 December 2013 and the Regulation will apply directly in EU Member States from 1 January 2014.

Basel III and CRD IV require banks such as Barclays to monitor and manage their regulatory capital and balance sheets to a range of prudential metrics, including enhanced capital ratios and newly introduced liquidity, funding and leverage ratios. Given the impact of these new requirements, banks have been granted a transitional period to 2018 to achieve full compliance, during which certain transitional reliefs are available. Following the transitional period, the full set of CRD IV rules apply (referred to as applying on a “fully loaded” basis).

The Basel III/ CRD IV leverage ratio is not expected to become a regulatory requirement until 2018. During an observation period ending 1 January 2017, relevant national supervisors will monitor the leverage ratio, its components and its performance in order to set the appropriate prudential levels. Based on the results of the observation period, the BCBS intends to make final adjustments, if any, to the definition and calibration of the leverage ratio in the first half of 2017. Following this, it is anticipated that the BCBS’s final determination will be introduced into European law by the expected 1 January 2018 deadline.

In March 2013, the UK Financial Policy Committee (a body responsible for identifying, monitoring and taking action to remove or reduce systemic risk) asked the PRA to take steps to ensure that, by the end of 2013, major UK banks and building societies, including Barclays, held capital resources equivalent to 7% of their risk weighted assets. The PRA’s calculation of capital adequacy was based on CRD IV definitions, applying them on a fully loaded basis with certain PRA adjustments (such adjustments amounting to £8.6 billion for Barclays at that point in time).

In June 2013, the PRA published its assessment of major UK banks and building societies, further to which Barclays announced that it could meet the adjusted 7% fully loaded CET1 ratio target set by the PRA by December 2013 through planned balance sheet actions and retained earnings generation, in alignment with Barclays’ existing Transform programme.

As part of its review, the PRA also introduced a 3% leverage ratio target. In July 2013, the PRA requested that Barclays plan to achieve a 3% PRA Leverage Ratio target by 30 June 2014 (i.e. ahead of the Basel III/ CRD IV deadline).

The PRA Leverage Ratio

The 3% PRA Leverage Ratio target is aimed at supplementing the risk based capital requirements of CRD IV and is calculated as fully loaded CET1 capital (after applying similar PRA adjustments as applied to the calculation of the 7% fully loaded CET1 ratio target) together with any new issuance of Additional Tier 1 securities and divided by CRD IV Leverage Exposure.

The Transform programme, as announced in February 2013, was expected to achieve a leverage ratio of 3% ahead of the anticipated CRD IV deadline for compliance in 2018. As at 30 June 2013, our CRD IV Leverage Ratios were 3.1% (calculated with the benefit of the transitional reliefs to CRD IV) and 2.5% (calculated on a fully loaded CRD IV basis). Applying PRA Adjustments to fully loaded CET1 capital, Barclays' estimated PRA Leverage Ratio would have been 2.2% as at 30 June 2013.

In calculating the PRA Leverage Ratio, Barclays applied PRA Adjustments of £4.1 billion. This adjustment had reduced from the £8.6 billion calculated by the PRA in its review, principally through taking account of additional provisions relating to payment protection insurance redress and interest rate hedging products redress announced in our results for the half year period to 30 June 2013, and taking into account prudential valuation adjustments which were already captured within Barclays' CET1 capital calculations.

A PRA Leverage Ratio of 2.2% as at 30 June 2013 represented an estimated leverage gap equivalent to £12.8 billion of capital in order to meet the 3% target.

The Leverage Plan

The PRA and Barclays discussed a number of options to meet the 3% PRA Leverage Ratio target, following which we were asked by the PRA to submit a plan aimed at achieving the 3% PRA Leverage Ratio target by 30 June 2014. Whilst the PRA has confirmed to Barclays that meeting the target by 30 June 2014 is an expectation (rather than a formal regulatory requirement), Barclays has determined to move swiftly to achieve the target in accordance with the PRA's expected timeframe. Barclays has therefore formulated and agreed with the PRA the following plan, comprised of capital management and leverage exposure actions:

1. Raise approximately £5.8 billion, net of expenses, through the Rights Issue; and
2. Take further capital, or capital equivalent, actions through a combination of the following:
 - **Reducing CRD IV Leverage Exposure:** As noted above, the PRA Leverage Ratio is calculated using CRD IV Leverage Exposure (which, as at 30 June 2013, was estimated at approximately £1,559 billion). The Leverage Plan anticipates making £65-80 billion of reductions to approximately £1.5 trillion (equal to approximately £2-2.5 billion of capital) in Barclays' expected CRD IV Leverage Exposure, through a series of actions that have already been identified by the Board. The Board believes that these actions involve low execution risk and does not expect them to have a material impact on revenues or profit before tax. We plan to achieve these reductions in the following areas:

<u>Planned CRD IV Leverage Exposure Actions</u>	<u>(£bn as at June 2013)</u>
Potential Future Exposure on derivatives	30-35
Securities Financing Transactions	20-25
Liquidity pool assets	<u>15-20</u>
Planned Reduction	<u>65-80</u>

We continue to analyse the Barclays balance sheet for additional opportunities to reduce our expected leverage exposure and will look to update the market on our progress in due course.

- **Raising up to £2 billion of qualifying AT1 instruments:** Barclays announced in late 2012 its intention to issue certain contingent capital instruments which will qualify as Additional Tier 1 under CRD IV. The PRA has confirmed to Barclays that such instruments, structured with a 7% fully loaded CET1 ratio trigger, would satisfy both the PRA's capital and leverage ratio requirements. Our existing capital plan envisages raising up to £2 billion of such AT1 instruments by June 2014, and this is therefore built into the Leverage Plan.
- **Retaining earnings and other forms of capital accretion:** When we announced our results for the period to 30 June 2013, we also announced £2 billion of additional provisions relating to payment protection insurance redress and interest rate hedging products redress. As a result of

those provisions, the Board believes that Barclays has further strengthened its ability to retain earnings and to generate capital going forward. Barclays' strengthened ability to generate retained earnings and the Board's planned further capital accretive actions, leave the Group well placed to convert any operating profits into further capital.

While recognising the implications of the Rights Issue for shareholders, your Board concluded that the Rights Issue and the other aspects of the Leverage Plan provide the most appropriate means of meeting the 3% PRA Leverage Ratio target within the expected 30 June 2014 timeframe. Before reaching this conclusion, we also considered, and discounted, a range of alternatives to the Rights Issue and the other elements of the Leverage Plan. Other alternatives which were considered included meeting the target organically through leverage exposure reductions which, if implemented in isolation to meet the entire leverage shortfall within the PRA's expected timeframe of 30 June 2014, would have required approximately £427 billion of leverage exposure reductions. Your Board determined that such alternatives would have been subject to significant execution risk, would have had a damaging effect on Barclays' business and would not have appropriately balanced the interests of Barclays' investors, customers and clients. In contrast, the Leverage Plan, combined with the estimated £5.8 billion of net proceeds receivable by the Company pursuant to the Rights Issue, anticipates leverage exposure reductions of only £65-£80 billion through actions which the Board believes involve low execution risk and will not have a material impact on revenues or profit before tax. In addition, the Board considered that the Leverage Plan would be more likely to be positively received by the PRA because it included significant new equity capital being raised.

On 30 July 2013, the PRA announced that it had agreed and welcomed the Leverage Plan. The PRA said that it had considered all elements of the Leverage Plan, including the new capital issuance, planned dividends and management actions to be taken and, based on Barclays' projections, concluded that it was a credible plan to meet a PRA Leverage Ratio of 3% by the end of June 2014 without cutting back on lending to the real economy. The PRA also commented that, in reviewing the Leverage Plan, it had taken into account the content of its planned consultation paper, subsequently issued on 2 August 2013, concerning the implementation of CRD IV.

Impact on the Transform programme

On 12 February 2013, we announced the Group's new strategy, known as the Transform programme. The Board believes that the Leverage Plan will not significantly impact the Group's strategy as our underlying business remains fundamentally strong and resilient. The Board also believes that the Leverage Plan will place Barclays in a stronger position to achieve its Transform targets and objectives in building the 'Go-To' bank for all our stakeholders in the evolving regulatory environment.

The Transform programme is underpinned by six financial targets, described in the table below. Three of these targets are unaffected by the Leverage Plan, with progress being made on each of them. The remaining three targets are directly impacted as a consequence of the Leverage Plan, with two being accelerated and one being delayed:

1. **Return on Equity:** An important objective of the Transform programme is to generate a sustainable return on equity above the cost of equity. We are now targeting that RoE will exceed CoE in the course of 2016, rather than in 2015, as a consequence of the fact that our ability to deploy the increased capital in higher return areas is expected to be limited in the near-term. Notwithstanding this expectation, we will continue to assess further actions to accelerate and increase Barclays' RoE.
2. **Dividends:** Notwithstanding the significantly enlarged number of Ordinary Shares that will be in issue following the Rights Issue, we anticipate maintaining a dividend payout for the remainder of 2013 such that the total annual dividend per share in 2013 will be the same as the total annual dividend per share in 2012. Your Board also expects that the combination of capital generation through retention of earnings and execution of the Leverage Plan will result in significantly higher levels of capital by December 2015. Accordingly, your Board expects to adopt a dividend policy from 2014 with a higher payout ratio than is currently the case. Further details of the Group's dividend policy are set out in section 6 of this letter.

3. **Fully Loaded Common Equity Tier 1:** On 30 July, we reported an estimated fully loaded CET1 ratio of 8.1% as at 30 June 2013. Adjusted for the capital generated through the Rights Issue, this ratio would have been 9.3%. Your Board expects this ratio to increase during the second half of 2013, with an accelerated achievement of the target 10.5% fully loaded CET1 ratio early in 2015. This is ahead of Basel III and CRD IV deadlines and earlier than the original target of achieving this ratio with the benefit of the transitional reliefs by the end of 2015.

	Original Target for 2015	Revised Target
Return on Equity	RoE > CoE	RoE > CoE in the course of 2016
Cost/ Income Ratio	Mid-50's	No change
CRD IV Risk Weighted Assets	£440 billion	No change
Dividend Payout Ratio	30%	40-50% from 2014
Operating Expenses (excl. Costs to Achieve Transform)	£16.8 billion	No change
Common Equity Tier 1 Ratio	Transitional CET1 ratio >10.5%	Fully loaded CET1 ratio >10.5% early in 2015

3. Use of Proceeds

Barclays intends to use the net proceeds of the Rights Issue to help achieve its leverage ratio target and increase its CET1 ratio, with such proceeds being retained by the Group. Barclays expects to meet the PRA Leverage Ratio target of 3% by 30 June 2014 and its internal target of a 10.5% fully loaded CET1 ratio in early 2015.

As at 30 June 2013, Barclays had an estimated fully loaded CET1 ratio of 8.1% and an estimated PRA Leverage Ratio of 2.2%. Taking the proceeds of the Rights Issue into account, these ratios would have increased to approximately 9.3% and 2.5% respectively as at that date.

Barclays will also manage the trade-off between the benefits of holding additional capital and implementing measures to improve return on equity, as our ability to deploy capital in higher return areas improves.

4. Principal terms of the Rights Issue

The Company is offering 3,219,067,868 New Ordinary Shares by way of the Rights Issue at 185 pence per New Ordinary Share. The New Ordinary Shares are being offered to Qualifying Shareholders. The Rights Issue is expected to raise approximately £5.8 billion (net of expenses).

The Issue Price represents a discount of approximately:

- 40.1% to the Closing Price of 309.05 pence on 29 July 2013 (being the last Business Day prior to the announcement of the Rights Issue);
- 34.9% to the theoretical ex-rights price of 284.2 pence, based on the Closing Price on 29 July 2013; and
- 38.7% to the Closing Price of 301.6 pence on the Record Date (being the last Business Day prior to the date of this letter).

The Rights Issue will be made on the basis of:

1 New Ordinary Share for every 4 Existing Ordinary Shares

held by Shareholders at close of business on the Record Date (being 13 September 2013).

Qualifying Sharestore Members may also participate in the Rights Issue by instructing the Sharestore Nominee to take action on their behalf.

Entitlements to New Ordinary Shares will be rounded down to the next lowest whole number (or to zero in the case of Shareholders holding fewer than 4 Existing Ordinary Shares at the close of business on the Record Date). Such fractions will be aggregated and either sold after the commencement of dealings in the Nil Paid Rights or the New Ordinary Shares represented by such aggregated fractions shall be added

to the New Ordinary Shares not taken up under the Rights Issue for which subscribers are to be sought by CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi. The net proceeds of such sales or subscriptions (after deduction of expenses) will be aggregated and donated to UNICEF.

The Rights Issue is underwritten by the Underwriters pursuant to the Underwriting Agreement, the principal terms and conditions of which are summarised in paragraph 15 of Part VIII “*Additional Information*” of this Prospectus, together with the details of the Underwriters.

The Rights Issue will result in 3,219,067,868 New Ordinary Shares being issued (representing approximately 25% of the existing issued share capital and 20% of the enlarged issued share capital immediately following completion of the Rights Issue).

The Rights Issue is conditional, amongst other things, upon Admission becoming effective by not later than 8.00 a.m. on 3 October 2013 (or, in certain circumstances, 7 November 2013).

Application has been made to the UK Listing Authority and to the London Stock Exchange for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. It is expected that Admission will become effective and that dealings in the New Ordinary Shares (nil paid) on the London Stock Exchange will commence at 8.00 a.m. on 18 September 2013.

The New Ordinary Shares will rank equally with other Ordinary Shares in all respects, including the right to receive other dividends and distributions (if any) made, paid or declared after the date of issue. The New Ordinary Shares are expected to be issued prior to the record date for the third interim dividend, expected to be paid during December 2013.

Some frequently asked questions and answers concerning the Rights Issue are set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet, which will be sent to Qualifying Shareholders and Qualifying Sharestore Members and which is also available at Barclays.com/rightsissue.

Further details of the terms and conditions of the Rights Issue, including the procedure for acceptance and payment and the procedure in respect of rights not taken up, are set out in Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus and, where relevant, are also set out in the relevant Form.

Overseas Shareholders should refer to paragraph 2.5 of Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus for further information on their ability to participate in the Rights Issue.

5. Current trading and prospects

Consistent with the Interim Results, Barclays continues to remain cautious about the environment in which it operates and its focus remains on costs, capital, leverage and returns in order to drive sustainable performance improvements.

The Group’s adjusted income for July and August 2013 was £0.5 billion lower than in the comparable period in 2012. As a result, the Group’s adjusted income for the eight month period to 31 August 2013 was down 5% compared with those months in 2012. Adjusted income for the Group, excluding the Investment Bank, for July and August 2013 was broadly flat versus those months in 2012. Income in the Investment Bank for July and August 2013 was significantly below those months in 2012, with lower income in FICC partially offset by growth in Equities and Prime Services. The daily income run rate in the Investment Bank in the current month to 12 September 2013 (being the latest practicable date prior to the publication of this Prospectus) was moderately ahead of the daily income run rate for the months of July and August 2013 and below that for September 2012.

Group impairments in July and August 2013 were broadly consistent with those months in 2012 and Barclays continues to observe similar trends to those seen in the six month period ended 30 June 2013 with delinquency rates stable, a low, stable annualised Loan Loss Rate below the Group’s long term average, and improvements in wholesale lending reflecting lower impairment charges in Europe.

Cost control remains a critical component for Barclays to achieve its commitments, with an expectation of £1.2 billion of Costs to Achieve (“CTA”) Transform in 2013, reflecting the acceleration of £200 million of the £2.7 billion total as previously disclosed and having recognised £640 million during the six months ended 30 June 2013 on restructuring and investment, predominantly in the Investment Bank and Europe Retail and Business Banking. Barclays remains focused on cost efficiency and is on track to meet the £18.5 billion cost target, excluding CTA, for 2013.

6. Dividend Policy

We anticipate maintaining a dividend payout for the remainder of 2013 such that the total annual dividend per share in 2013 will be the same as the total annual dividend per share in 2012. The Board also expects that the combination of capital generation through retention of earnings and execution of the Leverage Plan will result in significantly higher levels of capital by December 2015. Accordingly, the Board expects to adopt a dividend policy of a 40-50% dividend payout ratio from 2014. The dividend payout ratio will be calculated as a proportion of adjusted earnings per share, as determined by the Board.

In determining any proposed dividend and the appropriate payout ratio, the Board will consider (amongst other things) the Group's existing and expected future financial performance (including adjustments to earnings per share), its financial position (including the availability of sufficient distributable reserves), the expectation of servicing more senior securities, the economic environment, and applicable capital and other regulatory requirements and developments in the UK, the US and other jurisdictions.

7. Barclays Employee Share Plans

Options and awards held by employees under the Barclays Employee Share Plans will be adjusted to compensate for any effect the Rights Issue will have on their options and awards. (Adjustments are permitted by the rules of the Barclays Employee Share Plans in these circumstances.) Barclays intends to use the standard adjustment formula for share plans to calculate this. The formula calculates a revised number of Ordinary Shares under option or award and, where applicable, a revised option exercise price, using a theoretical ex-rights price based on the last cum rights share price before the Ex-Rights Date. Adjustments will not be made until after the Ex-Rights Date and will be subject to the approval of HMRC and the Company's auditors where required. Participants in the Barclays Employee Share Plans will be contacted separately with further information on their rights and how their options and awards will be affected by the Rights Issue.

8. Overseas Shareholders

The attention of Overseas Shareholders who have registered addresses outside the UK, or who are citizens of or resident or located in countries other than the UK, is drawn to the information in paragraph 2.5 of Part II "*Terms and Conditions of the Rights Issue*" of this Prospectus. US Holders and holders of ADSs are directed to the US Prospectus which contains relevant information and details of how to participate in the Rights Issue.

9. Taxation

Information about certain taxation in the UK, Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain in relation to the Rights Issue is set out in Part VII "*Taxation*" of this Prospectus. If you are in any doubt as to your tax position, or you are subject to tax in a jurisdiction other than those noted above, you should consult your own independent tax adviser without delay.

10. Further Information

Some frequently asked questions and answers concerning the Rights Issue are set out in the "Barclays PLC Rights Issue — Your Questions Answered" booklet, which will be sent to Qualifying Shareholders and Qualifying Sharestore Members and which is also available at Barclays.com/rightsissue.

Your attention is also drawn to the further information set out in Parts II "*Terms and Conditions of the Rights Issue*" to IX "*Information Incorporated by Reference*" of this Prospectus. This letter is not, and does not purport to be, a summary of this Prospectus and therefore should not be regarded as a substitute for reading this Prospectus. You should read the whole of this Prospectus, the documents incorporated herein by reference and the relevant Form (if applicable) and not rely solely on the information set out in this Part I.

11. Risk Factors

This Prospectus contains a detailed discussion of risks associated with an investment in Barclays and the Rights Issue. You should consider fully and carefully these risk factors, as set out in the section headed "*Risk Factors*" on pages 22 to 37 of this Prospectus.

12. Shareholder Authorisation

At the 2013 Annual General Meeting, your Board was authorised by Shareholders to allot equity securities up to an aggregate nominal amount of £2,143,443,788 in connection with an offer by way of a rights issue and to allot those shares and other equity securities for cash otherwise than in connection with a pre-emptive offer. It is therefore not necessary to obtain any further approval from Shareholders to implement the Rights Issue.

13. Action to be taken

Qualifying Registered Shareholders (i.e. Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form)

You will be sent a white Provisional Allotment Letter giving you details of your Nil Paid Rights and a “Barclays PLC Rights Issue — Your Questions Answered” booklet, which contains information on how to participate in and submit your instructions in respect of the Rights Issue.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares held (other than ex-rights) in certificated form before 18 September 2013, please forward this document and any Provisional Allotment Letter, if received, at once to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, subject to certain exceptions, such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the Excluded Territories.

If you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares (other than ex-rights) held in certificated form before the Ex-Rights Date, you should refer to the instruction regarding split applications in Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus and in the Provisional Allotment Letter.

Qualifying Sharestore Members

Qualifying Sharestore Members may participate in the Rights Issue by instructing the Sharestore Nominee to whom the New Ordinary Shares are being offered pursuant to the Rights Issue.

You will be sent a blue Sharestore Form of Instruction and a “Barclays PLC Rights Issue — Your Questions Answered” booklet, giving you details of your entitlement to participate in and how to submit your instructions in respect of the Rights Issue.

Qualifying CREST Shareholders

You will receive a credit to your appropriate stock account(s) in CREST in respect of the Nil Paid Rights as soon as practicable after 8.00 a.m. on 18 September 2013. Qualifying CREST Shareholders will not be sent a Provisional Allotment Letter.

If you sell or have sold or otherwise transferred all or some of your Existing Ordinary Shares (other than ex-rights) held in CREST before the Ex-Rights Date, a claim transaction will automatically be generated by Euroclear UK which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee.

You will be sent a “Barclays PLC Rights Issue — Your Questions Answered” booklet, giving you further information on how to participate in the Rights Issue.

Special Dealing Service

Barclays has arranged for a Special Dealing Service in order for Qualifying Certificated Shareholders (who are individuals and whose registered address is in the UK or any other jurisdiction in the EEA) to sell all of their Nil Paid Rights to which they are entitled or to effect a Cashless Take-up. Further information, including the terms and conditions, on the Special Dealing Service is set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet and relevant Form(s) that will be sent to you.

Timetable for Responses

Unless Barclays notifies Qualifying Shareholders and Qualifying Sharestore Members of a later date through publication of a supplementary prospectus, or unless otherwise announced by the Company, the latest time and date for:

- (a) acceptance, instruction and payment by completion and return of a Provisional Allotment Letter or a Sharestore Form of Instruction (as applicable) will be 11.59 p.m. on 2 October 2013;
- (b) acceptance and payment by settlement of a “Many-to-Many Instruction” in CREST will be 2.00 p.m. on 2 October 2013; and
- (c) the latest time and date for receipt of instructions under the Special Dealing Service in respect of the sale of all Nil Paid Rights or a Cashless Take-up will be 3.00 p.m. on 25 September 2013.

The procedures for delivery of the Nil Paid Rights, acceptance, instruction and payment are set out in Part II “*Terms and Conditions of the Rights Issue*” of this Prospectus and, in respect of Qualifying Certificated Shareholders only, in the relevant Form.

Settlement

For Qualifying Registered Shareholders who validly take up their rights, the New Ordinary Shares will be issued in certificated form and will be represented by definitive share certificates, which are expected to be sent to the registered address of the person(s) entitled to them by no later than 17 October 2013 (or such later date as may be notified by the Company through an announcement or publication of a supplementary prospectus).

For Qualifying Sharestore Members who validly take up their rights, a Sharestore Advice showing the number of New Ordinary Shares issued will be sent to the registered address of the person(s) entitled to them by no later than 17 October 2013 (or such later date as may be notified by the Company through an announcement or publication of a supplementary prospectus).

For Qualifying CREST Shareholders who validly take up their rights, The Registrar will instruct CREST to credit the stock accounts of the Qualifying CREST Shareholders with their entitlements to New Ordinary Shares. It is expected that this will take place as soon as practicable after 8.00 a.m. on 4 October 2013 (or such later date as may be notified by the Company through an announcement or publication of a supplementary prospectus).

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsor regarding the action to be taken in connection with this document and the Rights Issue.

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the UK, by another appropriately authorised independent financial adviser.

14. Directors’ intentions regarding the Rights Issue

The Directors are fully supportive of the Rights Issue and intend to take up their beneficial rights in full to an aggregate of 779,041 New Ordinary Shares under the Rights Issue.

Yours sincerely



Sir David Walker
Chairman

PART II
TERMS AND CONDITIONS OF THE RIGHTS ISSUE

1. Introduction

The Company is proposing to raise proceeds of approximately £5.823 billion (net of expenses) by way of a rights issue of 3,219,067,868 New Ordinary Shares. Subject to the fulfilment of the conditions to the Underwriting Agreement, the New Ordinary Shares will be offered by way of nil-paid rights at 185 pence per New Ordinary Share, payable in full on acceptance by Qualifying Shareholders, on the basis of:

1 New Ordinary Share for every 4 Existing Ordinary Shares

held on the Record Date (and so in proportion for any other number of Existing Ordinary Shares then held) and otherwise on the terms and conditions as set out in this Prospectus and, in the case of Qualifying Registered Shareholders, the Provisional Allotment Letter.

Qualifying Shareholders are holders of Ordinary Shares on the register of members of the Company at the close of business on the Record Date with the exclusion (subject to certain exceptions) of Shareholders with a registered address or located or resident in an Excluded Territory.

Qualifying Sharestore Members may also participate in the Rights Issue by instructing the Sharestore Nominee to take action on their behalf by completing the Sharestore Form of Instruction in accordance with the instructions printed thereon.

Times and dates referred to in this Part II have been included on the basis of the expected timetable for the Rights Issue set out on page 38.

The Issue Price of 185 pence per New Ordinary Share represents a discount of approximately:

- 40.1% to the Closing Price of 309.05 pence on 29 July 2013 (being the last Business Day prior to the announcement of the Rights Issue);
- 34.9% to the theoretical ex-rights price of 284.2 pence based on the Closing Price on 29 July 2013; and
- 38.7% to the Closing Price of 301.6 pence on the Record Date (being the last Business Day prior to the publication of this Prospectus).

Qualifying Shareholders who do not take up rights to New Ordinary Shares will have their proportionate shareholdings in Barclays diluted by approximately 20%. Those Qualifying Shareholders who take up their rights in full will, subject to the rounding down and sale of any fractions, have the same proportionate voting and distribution rights as held by them at the close of business on the Record Date.

The Nil Paid Rights (also described as New Ordinary Shares, nil paid) are entitlements to acquire the New Ordinary Shares subject to payment of the Issue Price. The Fully Paid Rights are entitlements to receive the New Ordinary Shares, for which a subscription and payment has already been made.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. Entitlements to New Ordinary Shares will be rounded down to the next lowest whole number (or to zero in the case of Shareholders holding fewer than 4 Existing Ordinary Shares at the close of business on the Record Date) and fractions of New Ordinary Shares will not be allotted to Shareholders on the register at the Record Date. Such fractions will be aggregated and either sold after the commencement of dealings in the Nil Paid Rights or the New Ordinary Shares represented by such aggregated fractions shall be added to the New Ordinary Shares not taken up under the Rights Issue for which subscribers are to be sought under paragraph 2.3.1 below. The net proceeds of such sales (after deduction of expenses) will be aggregated and donated to Barclays' chosen charity, UNICEF.

The attention of Overseas Shareholders or any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this Prospectus or any Form, if and when received, or other document into a jurisdiction other than the UK is drawn to paragraph 2.5 below. The offer of New Ordinary Shares and the Rights Issue will not be made into the Excluded Territories. New Ordinary Shares will be provisionally allotted (nil paid) to all Shareholders on the register at the close of business on the Record Date. However, subject to the provisions of paragraph 2.5 below, Shareholders with a registered address in an Excluded Territory are not being sent this Prospectus, will not be sent Forms and will not have their CREST accounts credited with Nil Paid Rights.

In the United States, the Rights Issue is being made pursuant to the US Prospectus. If you are a US holder of Existing Ordinary Shares or a holder of ADSs, wherever located, please see paragraph 2.5 below.

In Canada, the Rights Issue is being made pursuant to the Canadian Offering Memorandum. If you are a holder in Canada of Existing Ordinary Shares or ADSs, please see paragraph 2.5 below.

Applications have been made to the UK Listing Authority and to the London Stock Exchange for the New Ordinary Shares (nil paid and fully paid) to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities respectively. It is expected that Admission will become effective on 18 September 2013 and that dealings in the New Ordinary Shares, nil paid, will commence on the London Stock Exchange at 8.00 a.m. on that date. The New Ordinary Shares and the Existing Ordinary Shares are in registered form and can be held in certificated form or uncertificated form via CREST.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is required for the New Ordinary Shares and all of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST.

Applications have been made for the Nil Paid Rights and the Fully Paid Rights to be admitted to CREST. Euroclear UK requires the Company to confirm to it that certain conditions (imposed by the CREST Manual) are satisfied before Euroclear UK will admit any security to CREST. It is expected that these conditions will be satisfied, in respect of the Nil Paid Rights and the Fully Paid Rights, on Admission.

The ISIN for the New Ordinary Shares will be the same as that of the Existing Ordinary Shares being GB0031348658. The ISIN code for the Nil Paid Rights is GB00BCRY6Q68 and for the Fully Paid Rights is GB00BCRY6S82.

None of the New Ordinary Shares are being made available to the public other than pursuant to the Rights Issue.

The Rights Issue has been underwritten by the Underwriters and is conditional upon:

- (i) the Underwriting Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- (ii) Admission of the New Ordinary Shares (nil paid) becoming effective by not later than 8.00 a.m. on 3 October 2013 or, in certain circumstances, 7 November 2013.

The Underwriting Agreement is conditional upon certain matters being satisfied or not breached prior to Admission (nil paid) and may be terminated by the Initial Underwriters prior to Admission (nil paid) upon the occurrence of certain specified events, in which case the Rights Issue will not proceed. The Sponsor is entitled to terminate its role as sponsor under the Underwriting Agreement in certain circumstances. The Underwriting Agreement is not capable of termination following Admission (nil paid) (including in respect of any statutory withdrawal rights). Further institutions (including existing Shareholders) may be invited to become sub-underwriters and Credit Suisse, Citi and Deutsche Bank may, on behalf of the Underwriters, arrange such sub-underwriting for some, all or none of the New Ordinary Shares. A summary of certain terms and conditions of the Underwriting Agreement is contained in paragraph 15 of Part VIII "*Additional Information*".

The Underwriters and their respective affiliates may, acting as investors for their own account, in accordance with applicable legal and regulatory provisions and subject to the provisions of the Underwriting Agreement, engage in transactions in relation to the Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise. Accordingly, references in this Prospectus to Nil Paid Rights, Fully Paid Rights or New Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their affiliates acting as investors for their own account. Except as required by applicable law or regulation, none of the Underwriters propose to make any public disclosure in relation to such transactions. In addition certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Ordinary Shares.

The Company will not proceed with the Rights Issue if the Underwriting Agreement is terminated at any time prior to Admission and commencement of dealings in the New Ordinary Shares (nil paid).

It is expected that:

- (i) Provisional Allotment Letters or Sharestore Forms of Instruction (as applicable) will be despatched to Qualifying Certificated Shareholders on 17 September 2013;
- (ii) Admission of the New Ordinary Shares, nil paid, will become effective at 8:00 a.m. on 18 September 2013;
- (iii) The Registrar will instruct Euroclear UK to credit the appropriate stock accounts of Qualifying CREST Shareholders with such Shareholders' entitlements to Nil Paid Rights with effect as soon as practicable after 8.00 a.m. on 18 September 2013;
- (iv) the Nil Paid Rights and the Fully Paid Rights will be enabled for settlement by Euroclear UK as soon as practicable after 8.00 a.m. on 18 September 2013;
- (v) New Ordinary Shares will be credited to the appropriate stock accounts of the relevant Qualifying Shareholders (or their renounees) who validly take up their rights as soon as practicable after 8.00 a.m. on 4 October 2013;
- (vi) share certificates for the New Ordinary Shares will be despatched to Qualifying Registered Shareholders (or their renounees) by no later than 17 October 2013; and
- (vii) Sharestore Advice, showing the number of New Ordinary Shares which Qualifying Sharestore Members have taken up will be sent to them by no later than 17 October 2013.

The offer will be made to Qualifying Registered Shareholders by way of the Provisional Allotment Letter (as described in step (i) above) and to Qualifying CREST Shareholders by way of the enablement of the Nil Paid Rights and the Fully Paid Rights (as described in step (iv) above) (such Shareholders' stock accounts having been credited as described in step (iii) above). Qualifying Sharestore Members may participate in the Rights Issue by instructing the Sharestore Nominee to take action on their behalf by completing the Sharestore Form of Instruction (received pursuant to step (i) above) in accordance with the instructions printed thereon.

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of this Prospectus. There will be no restrictions on the free transferability of the New Ordinary Shares save as provided in the Articles of Association. The rights attaching to the New Ordinary Shares are governed by the Articles of Association, a summary of which is set out in Part VIII "*Additional Information*" of this Prospectus.

All documents including Forms (which, in the case of the Provisional Allotment Letters, constitute temporary documents of title) and cheques, certificates and/or Sharestore Advice posted to, by or from Qualifying Shareholders, Qualifying Sharestore Members and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

Persons taking up their rights by completing the relevant Form, by sending a Many-To-Many ("**MTM**") instruction to Euroclear UK or using the Special Dealing Service will be deemed to have given the representations and warranties set out in paragraph 2.5.5 of this Part II, unless the requirement is waived by the Company.

2. Action to be taken

The action to be taken depends on whether you are:

- (a) a Qualifying Certificated Shareholder (i.e. a Qualifying Registered Shareholder and/or a Qualifying Sharestore Member); or
- (b) a Qualifying CREST Shareholder.

If you are a Qualifying Certificated Shareholder, please refer to paragraph 2.1 and paragraphs 2.3 to 2.8 below.

If you are a Qualifying CREST Shareholder, please refer to paragraph 2.2 and paragraphs 2.3 to 2.8 below and to the CREST Manual for further information on the CREST procedures referred to below.

CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST sponsored members.

Further information on how to participate in the Rights Issue and the action to be taken is set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet which is expected to be despatched to Qualifying Shareholders on 17 September 2013.

All enquiries in relation to the Forms should be addressed to the Barclays Shareholder Helpline on 0871 384 2711 (from inside the UK) or +44 121 415 0094 (from outside the UK) between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays). *Calls to the 0871 number are charged at 8 pence per minute (excluding VAT) plus network extras. Calls to the Barclays Shareholder Helpline from outside the UK will be charged at an appropriate international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. Please note that the Barclays Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor provide financial, tax, investment or legal advice.*

If you are a US holder of Existing Ordinary Shares or a holder of ADSs, wherever located, please see the US Prospectus for details of the action you should take and paragraph 2.5 below.

If you are a holder in Canada of Existing Ordinary Shares or ADS, please see the Canadian Offering Memorandum for details of the action you should take and paragraph 2.5 below.

2.1 Action to be taken by Qualifying Certificated Shareholders

2.1.1 General

Forms are expected to be despatched to Qualifying Certificated Shareholders on 17 September 2013. Each Form will set out:

- (i) in Box 1, the holding at the close of business on the Record Date of Existing Ordinary Shares on which a Qualifying Certificated Shareholder’s entitlement to New Ordinary Shares has been based;
- (ii) in Box 2, the aggregate number of New Ordinary Shares which have been provisionally allotted to that Qualifying Registered Shareholder or to the Sharestore Nominee on behalf of the Qualifying Sharestore Member (as applicable);
- (iii) in Box 3, the amount payable by a Qualifying Certificated Shareholder at the Issue Price to take up his entitlement in full;
- (iv) the procedures to be followed if a Qualifying Certificated Shareholder wishes to dispose of all or part of his entitlement or a Qualifying Registered Shareholder wishes to convert all or part of his entitlement into uncertificated form;
- (v) the procedures to be followed if a Qualifying Certificated Shareholder who is eligible to use the Special Dealing Service wishes to sell all of his Nil Paid Rights or to effect a Cashless Take-up using the Special Dealing Service; and
- (vi) any instructions regarding acceptance, instruction and payment, consolidation, splitting and registration of renunciation (where applicable).

Assuming that dealings in Nil Paid Rights commence on 18 September 2013, the latest time and date for:

- (a) acceptance, instruction and payment by completion and return of a Provisional Allotment Letter or a Sharestore Form of Instruction (as applicable) will be 11.59 p.m. on 2 October 2013;
- (b) acceptance and payment by settlement of an MTM instruction in CREST will be 2.00 p.m. on 2 October 2013; and
- (c) the latest time and date for receipt of instructions under the Special Dealing Service in respect of the sale of all Nil Paid Rights or a Cashless Take-up will be 3.00 p.m. on 25 September 2013.

If the Forms are not despatched on 17 September 2013 or if the timetable for the Rights Issue is otherwise amended, the expected timetable set out on page 38 of this Prospectus will be adjusted accordingly and the revised dates will be announced through a Regulatory Information Service. All references to times and/or dates in this Part II should be read as being adjusted accordingly.

2.1.2 Procedure for acceptance, instruction and payment

- (i) Qualifying Certificated Shareholders who wish to take up their entitlement in full

Qualifying Certificated Shareholders who wish to take up all of their entitlement must complete and return the relevant Form, together with a cheque or banker’s draft in pounds sterling, made

payable to “Barclays PLC Rights Issue” or, if a Sharestore Member, “Barclays PLC Sharestore Rights Issue” and crossed “A/C payee only”, for the full amount payable on acceptance, in accordance with the instructions printed on such Form, by post or by hand (during normal business hours only other than on 2 October 2013) to The Registrar to Barclays, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible and in any event so as to be received by not later than 11.59 p.m. on 2 October 2013. A reply-paid envelope will be enclosed with the Form for this purpose. If you post your Form within the UK by first-class post, it is recommended that you allow at least four days for delivery.

- (ii) Qualifying Certificated Shareholders who wish to take up some (but not all) of their entitlement
 - (a) Qualifying Registered Shareholders

Qualifying Registered Shareholders who wish to take up some (but not all) of their entitlement, without selling or transferring the remainder, should complete the Provisional Allotment Letter, including by signing and dating Form X, in accordance with the instructions printed thereon and return it, together with a cheque or banker’s draft in pounds sterling for the amount payable for the number of Nil Paid Rights such Qualifying Registered Shareholder wishes to take up, by post or by hand (during normal business hours only other than on 2 October 2013) to The Registrar to Barclays, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible and in any event so as to be received by not later than 11.59 p.m. on 2 October 2013.

Alternatively Qualifying Registered Shareholders who wish to take up some (but not all) of their entitlement and wish to sell some or all of those rights which they do not want to take up (other than effecting Cashless Take-up using the Special Dealing Service described in paragraph 2.1.5 below), should return by post or by hand (during normal business hours only) to The Registrar to Barclays, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible and in any event so as to be received by not later than 3.00 p.m. on 30 September 2013, (the last date and time for splitting Nil Paid Rights), the following:

- (a) the Provisional Allotment Letter duly completed, including by signing and dating Form X, in accordance with the instructions printed thereon;
- (b) a cheque or banker’s draft in pounds sterling, made payable to ‘Barclays PLC Rights Issue’ and crossed “A/C payee only”, for the amount payable for the number of Nil Paid Rights such Qualifying Registered Shareholder wishes to take up; and
- (c) a covering letter, signed by the Qualifying Registered Shareholder(s), stating the number of split Provisional Allotment Letters required for the Nil Paid Rights not being taken up and the number of Nil Paid Rights to be comprised in each such split Provisional Allotment Letter.

In this case, the split Provisional Allotment Letters (representing the Nil Paid Rights the Qualifying Registered Shareholder does not wish to take up) will be required in order to sell those rights not being taken up.

- (b) Qualifying Sharestore Members

Qualifying Sharestore Members who wish to take up some but not all of their entitlement, should complete the Sharestore Form of Instruction and return it, together with a cheque or banker’s draft in pounds sterling, made payable to ‘Barclays PLC Sharestore Rights Issue’ and crossed ‘A/C payee only’ for the full amount payable for the number of Nil Paid Rights such Qualifying Sharestore Member wishes to take up, in accordance with the instructions printed thereon, by post or by hand (during normal business hours only other than on 2 October 2013) to The Registrar to Barclays at the address referred to in paragraph (a) above, so as to arrive as soon as possible and in any event so as to be received by not later than 11.59 p.m. on 2 October 2013.

Qualifying Sharestore Members who wish to effect a Cashless Take-up (i.e. effecting the sale of such number of Nil Paid Rights to which they are entitled as will generate sufficient sale proceeds to enable them to take up all of the remaining Nil Paid Rights (or entitlements thereto)) should see paragraph 2.1.5 for further details. If a Qualifying Sharestore Member is considering any other options, he should contact the Barclays Shareholder Helpline on 0871 384 2711 (from inside the UK) or +44 121 415 0094 (from outside the UK) between 8.30 a.m. and

5.30 p.m. (London time) Monday to Friday (except UK public holidays). *Calls to the 0871 number are charged at 8 pence per minute (excluding VAT) plus network extras. Calls to the Barclays Shareholder Helpline from outside the UK will be charged at an appropriate international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. Please note that the Barclays Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor provide financial, tax, investment or legal advice.*

(iii) Company's discretion as to validity of acceptances and instructions

If payment is not received in full by 11.59 p.m. on 2 October 2013, the provisional allotment will (unless the Company has exercised its right to treat as valid an acceptance or instruction as set out below) be deemed to have been declined and will lapse. The Company may elect, but shall not be obliged, to treat as valid any Form and accompanying remittance for the full amount due which are received prior to 11.59 p.m. on 3 October 2013.

The Company may elect, but shall not be obliged to treat as a valid acceptance or instruction, the receipt of appropriate remittance by 11.59 p.m. on 2 October 2013, from an authorised person (as defined in FSMA) specifying the number of New Ordinary Shares to be acquired and containing an undertaking by that person to lodge the relevant Form, duly completed, in due course.

The Company may also (in its sole discretion) treat a Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any acceptance or instruction or purported acceptance or instruction in relation to the New Ordinary Shares that appears to the Company to have been executed in, despatched from, or that provided an address in, an Excluded Territory.

The provisions of this paragraph 2.1.2(iii) and any other terms of the Rights Issue relating to Qualifying Certificated Shareholders may be waived, varied or modified as regards specific Qualifying Certificated Shareholder(s) or on a general basis by the Company, with the agreement of CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi.

A Qualifying Certificated Shareholder who makes a valid acceptance or instruction (as applicable) and payment in accordance with this paragraph 2.1 is deemed to request that the New Ordinary Shares to which they will become entitled be issued to them (if they are a Qualifying Registered Shareholder) or the Sharestore Nominee (if they are a Qualifying Sharestore Member) on the terms and conditions set out in this Prospectus and subject to the Articles of Association.

(iv) Payments

All payments must be in pounds sterling and made by cheque or banker's draft made payable to "Barclays PLC Rights Issue" or, if a Sharestore Member, "Barclays PLC Sharestore Rights Issue" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the UK or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner.

Cheques must be drawn on the personal account to which the Qualifying Registered Shareholder (or their nominee) or Sharestore Member has sole or joint title to the funds. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or draft to such effect. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted. Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct The Registrar to seek special clearance of cheques and banker's drafts to allow value to be obtained for remittances at the earliest opportunity. No interest will be paid on payments made before they are due. It is a term of the Rights Issue that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. Return of a completed Form will constitute a warranty that the cheque will be honoured on first presentation. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If the New Ordinary Shares have already been allotted to a Qualifying Registered Shareholder or the Sharestore Nominee (as applicable) prior to any payment not being so honoured upon first presentation or such acceptance or instruction (as applicable) being treated as invalid, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such New Ordinary Shares on behalf of such Qualifying Certificated Shareholders and hold the proceeds of sale (net of the Company's reasonable estimate of any loss it has suffered as a result of the same and of the expenses of the sale, including, without limitation, any stamp duty or SDRT payable on the transfer of such New Ordinary Shares, and of all amounts payable by such Qualifying Certificated Shareholders pursuant to the terms of the Rights Issue in respect of the acquisition of such New Ordinary Shares) on behalf of such Qualifying Certificated Shareholders. None of the Company, the Banks or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Certificated Shareholders as a result.

2.1.3 Money Laundering Regulations

It is a term of the Rights Issue that, to ensure compliance with the Money Laundering Regulations, The Registrar may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf a Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements"). If an application is made by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of The Registrar. In such case, the lodging agent's stamp should be inserted on the Form. The person(s) who, by lodging a Form with payment and in accordance with the other terms as described above (the "acceptor"), accept(s) directly or indirectly, such number of New Ordinary Shares as referred therein (for the purposes of this paragraph 2.1.3 the "relevant shares") being: (a) in the case of a Provisional Allotment Letter, the provisional allottee or, in the case of renunciation, the person named in such Provisional Allotment Letter; and (b) in the case of a Sharestore Form of Instruction, the person named in the Sharestore Register, shall thereby be deemed to agree to provide The Registrar and/or the Company with such information and other evidence as they or either of them may require to satisfy the verification of identity requirements and agree for The Registrar to make a search using a credit reference agency for the purpose of confirming such identity where deemed necessary. A record of the search will be retained.

If The Registrar determines that the verification of identity requirements apply to an acceptor, an acceptance or an instruction and the verification of identity requirements have not been satisfied (which The Registrar shall in its absolute discretion determine) by 11.59 p.m. on 2 October 2013, the Company may, in its absolute discretion, and without prejudice to any other rights of the Company, treat the acceptance or instruction as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, or may confirm the allotment of the relevant shares but (notwithstanding any other term of the Rights Issue) such shares will not be issued to the relevant acceptor or the Sharestore Nominee (as applicable) or registered in his name or the name of the Sharestore Nominee (as applicable) until the verification of identity requirements have been satisfied (which The Registrar shall in its absolute discretion determine). If the acceptance or instruction is not treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than seven days after a request for evidence of identity is despatched to the acceptor, as the Company may in its absolute discretion allow, the Company will be entitled to make arrangements (in its absolute discretion as to manner, timing and terms) to sell the relevant shares (and for that purpose the Company will be expressly authorised to act as agent of the acceptor and/or the Sharestore Nominee). Any proceeds of sale (net of expenses) of the relevant shares which shall be issued to and registered in the name of the purchaser(s) or an amount equivalent to the original payment, whichever is the lower, will be held by the Company on trust for the acceptor, subject to the requirements of the Money Laundering Regulations. The Registrar is entitled in its absolute discretion to determine whether the verification of identity requirements apply to any acceptor and whether such requirements have been satisfied. None of the Company, the Banks or The Registrar will be liable to any person for any loss suffered or incurred as a result of the exercise of any such discretion or as a result of any sale of relevant shares.

Return of a Form with the appropriate remittance will constitute a warranty from the acceptor that the Money Laundering Regulations will not be breached by acceptance of such remittance and an undertaking to provide promptly to The Registrar such information as may be specified by The Registrar as being required for the purpose of the Money Laundering Regulations. If the verification

of identity requirements apply, failure to provide the necessary evidence of identity may result in your acceptance or instruction (as applicable) being treated as invalid or in delays in the despatch of share certificates and other documents relating to the Rights Issue (as applicable).

The verification of identity requirements will not usually apply:

- (i) if the acceptor is an organisation required to comply with the Money Laundering Directive 2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing; or
- (ii) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (iii) if the acceptor (not being an acceptor who delivers his acceptance in person) makes payment by way of a cheque drawn on an account in the name of such acceptor; or
- (iv) if the aggregate subscription price is less than €15,000 (approximately £12,500).

Where the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements. Satisfaction of the verification of identity requirements may be facilitated in the following ways:

- (a) if payment is made by cheque or banker's draft in pounds sterling drawn on a branch in the UK of a bank or building society and bears a UK bank sort code number in the top right-hand corner, the following applies. Cheques should be made payable to "Barclays PLC Rights Issue" or, if a Sharestore Member, "Barclays PLC Sharestore Rights Issue" and crossed "A/C payee only". Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/banker's draft to such effect. The account name should be the same as that shown on the application;
- (b) if the Form is lodged with payment by an agent which is an organisation of the kind referred to in (a) above or which is subject to anti money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey, the United States of America and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE), the agent should provide written confirmation with the Form that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the persons for whom it acts and that it will on demand make such evidence available to The Registrar or the relevant authority; or
- (c) if a Form is lodged by hand by the acceptor in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address (for example, a recent bank statement).

In order to confirm the acceptability of any written assurance referred to in (c) above or any other case, the acceptor should contact The Registrar. The Barclays Shareholder Helpline telephone number is 0871 384 2711 (from inside the UK) or +44 121 415 0094 (from outside the UK). *Calls to the 0871 number are charged at 8 pence per minute (excluding VAT) plus network extras. Calls to the Barclays Shareholder Helpline from outside the UK will be charged at an appropriate international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.*

2.1.4 Dealings in Nil Paid Rights

Dealings in the Nil Paid Rights on the London Stock Exchange are expected to commence at 8.00 a.m. on 18 September 2013.

(a) Qualifying Registered Shareholders

A transfer of Nil Paid Rights can be made by renunciation of the Provisional Allotment Letter in accordance with the instructions printed thereon and delivery of the letter to the transferee or to a stockbroker, bank or other appropriate financial adviser. The latest time and date for registration of renunciation of Provisional Allotment Letters, nil paid, is expected to be 11.59 p.m. on 2 October 2013.

In addition, Qualifying Registered Shareholders who are individuals with a registered address in the UK or in any other jurisdiction in the EEA can elect to sell all of their Nil Paid Rights or to effect a Cashless Take-up in each case using the Special Dealing Service, details of which are set out in paragraph 2.1.5 below.

(b) Qualifying Sharestore Members

Qualifying Sharestore Members who are individuals with a registered address in the UK or in any other jurisdiction in the EEA can elect to sell all of the Nil Paid Rights to which they are entitled or to effect a Cashless Take-up in each case using the Special Dealing Service, details of which are set out in paragraph 2.1.5 below.

The transfer of an entitlement to Nil Paid Rights cannot be made by renunciation of a Sharestore Form of Instruction.

2.1.5 Special Dealing Service

Qualifying Certificated Shareholders who are individuals with a registered address in the UK or in any other jurisdiction in the EEA may elect to: (a) sell all of the Nil Paid Rights to which they are entitled; or (b) effect a Cashless Take-up, using the Special Dealing Service.

(a) Qualifying Certificated Shareholders who wish to sell all of their entitlement using the Special Dealing Service

Qualifying Certificated Shareholders who are individuals with a registered address in the UK or in any other jurisdiction in the EEA and who wish to sell all of the Nil Paid Rights to which they are entitled may elect to do so by using the Automated Telephone Instruction Facility, details of which are set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet, or by completing and returning the relevant Form in accordance with the instructions printed thereon, by post or by hand (during normal business hours only) to The Registrar to Barclays, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible and in any event so as to be received by not later than 3.00 p.m. on 25 September 2013, the latest time and date for requesting the sale of Nil Paid Rights through the Special Dealing Service. A reply-paid envelope will be enclosed with the Form for this purpose. If you post your Form within the UK by first-class post, it is recommended that you allow at least four days for delivery. Please note that Equiniti Financial Services Limited will charge a commission of 0.15% of the gross proceeds of sale of all of the Nil Paid Rights to which the Qualifying Certificated Shareholder is entitled, subject to a minimum of £15, for effecting such sale through the Special Dealing Service. The Broker will be entitled to receive 40% of the aggregate of such commissions for providing brokerage services in relation to the Special Dealing Service.

Under the Special Dealing Service, Equiniti Financial Services Limited will normally instruct the Broker to sell all of the Nil Paid Rights for a Qualifying Certificated Shareholder on the Business Day following receipt of an Instruction from such Qualifying Certificated Shareholder for the sale of all of his Nil Paid Rights. Any Instruction received after 3.00 p.m. on any given day will be treated as having been received the following day.

Equiniti Financial Services Limited will aggregate Instructions from all Qualifying Certificated Shareholders who have elected to sell all of their Rights under the Special Dealing Service that are received (or are treated as having been received) on the same day. In this case, Qualifying Certificated Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights aggregated for sale purposes in accordance with above. This may result in Qualifying Certificated Shareholders who choose to sell all of their Nil Paid Rights through the Special Dealing Service receiving a higher or lower price than if their Nil Paid Rights were sold separately.

Notwithstanding the above, the Nil Paid Rights in respect of which an Instruction is received may be sold in several transactions and on separate days. In this case, Qualifying Certificated Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights sold in that period. This may result in Qualifying Certificated Shareholders who choose to sell all of their Nil Paid Rights through the Special Dealing Service receiving a higher or lower price for their Nil Paid Rights than if all of their Nil Paid Rights had been sold in a single transaction or on a single day and such Qualifying Certificated Shareholders may receive the proceeds of sale later than if their Nil Paid Rights had been sold by another broker on an individual basis.

A Qualifying Certificated Shareholder who is considering giving an Instruction to sell all of their Nil Paid Rights under the Special Dealing Service should note that there is no guarantee that the sale of the Nil Paid Rights will be effected under the Special Dealing Service in relation to his Nil Paid Rights. Whether such Qualifying Certificated Shareholder's Nil Paid Rights will be sold under the Special Dealing Service will depend on whether it is expected that the proceeds from the sale of the Nil Paid Rights of the majority of the Qualifying Certificated Shareholders who elect to sell all of their Nil Paid Rights and whose Instructions are aggregated for sales purposes will exceed the commissions referred to above. If a Qualifying Certificated Shareholder's Nil Paid Rights are sold but the proceeds obtained for the sale of such Nil Paid Rights are less than the commissions referred to above, such Qualifying Certificated Shareholder will not receive any proceeds.

- (b) Qualifying Certificated Shareholders who wish to effect a Cashless Take-up using the Special Dealing Service

Qualifying Certificated Shareholders who are individuals with a registered address in the UK or in any other jurisdiction in the EEA and who wish to effect a Cashless Take-up may elect to do so by using the Automated Telephone Instruction Facility, details of which are set out in the "Barclays PLC Rights Issue — Your Questions Answered" booklet, or by completing and returning the relevant Form in accordance with the instructions printed on it, by post or by hand (during normal business hours only) to The Registrar to Barclays, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible and in any event so as to be received by not later than 3.00 p.m. on 25 September 2013, the latest time and date for requesting a Cashless Take-up through the Special Dealing Service. A reply-paid envelope will be enclosed with the Form for this purpose. If you post your Form within the UK by first-class post, it is recommended that you allow at least four days for delivery. Please note that Equiniti Financial Services Limited will charge a commission of 0.15% of the gross proceeds of sale of the appropriate number of Nil Paid Rights to which the Qualifying Certificated Shareholder is entitled, subject to a minimum of £15, for effecting a Cashless Take-up using the Special Dealing Service. The Broker will be entitled to receive 40% of the aggregate of such commissions for providing brokerage services in relation to the Special Dealing Service.

Under the Special Dealing Service, Equiniti Financial Services Limited will normally instruct the Broker to sell such number of Nil Paid Rights as is required to effect a Cashless Take-up for a Qualifying Certificated Shareholder on the Business Day following receipt from such Qualifying Certificated Shareholder of an Instruction for Cashless Take-up. Any Instruction received after 3.00 p.m. on any given day will be treated as having been received the following day.

Equiniti Financial Services Limited will aggregate Instructions from all Qualifying Certificated Shareholders who elect a Cashless Take-up under the Special Dealing Service that are received (or are treated as having been received) on the same day. In this case, Qualifying Certificated Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights aggregated for sale purposes in accordance with above. This may result in Qualifying Certificated Shareholders who elect a Cashless Take-up under the Special Dealing Service receiving a higher or lower price than if the Nil Paid Rights the subject of the Instruction were sold separately.

Notwithstanding the above, such number of Nil Paid Rights which need to be sold to effect a Cashless Take-up for a Qualifying Certificated Shareholder under the Special Dealing Service may be sold in several transactions and on separate days. In this case, Qualifying Certificated Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights sold in that period. This may result in Qualifying Certificated Shareholders who choose to effect a Cashless Take-up under the Special Dealing Service receiving a higher or lower price for their Nil Paid Rights than if such Nil Paid Rights had been sold in a single transaction or on a single day.

A Qualifying Certificated Shareholder who is considering giving an Instruction for Cashless Take-up under the Special Dealing Service should note that there is no guarantee that Cashless Take-up will be effected under the Special Dealing Service in relation to his Nil Paid Rights. Whether such Qualifying Certificated Shareholder's Nil Paid Rights will be sold under the Special Dealing Service will depend on whether it is expected that the proceeds from the sale of the Nil Paid Rights of the majority of the Qualifying Certificated Shareholders (the "**Majority Shareholders**") who elect for a

Cashless Take-up under the Special Dealing Service and whose Instructions are aggregated for sales purposes will be sufficient, after deducting the commissions referred to above, to take-up one New Ordinary Share for each of the Majority Shareholders. If a Qualifying Certificated Shareholder's Nil Paid Rights are sold but the proceeds obtained for the sale of the Nil Paid Rights are not sufficient, after the deduction of the commissions referred to above, to acquire any New Ordinary Shares at the Issue Price, such Qualifying Certificated Shareholder will not receive any New Ordinary Shares.

(c) General

Following receipt of a valid election or instruction under the Special Dealing Service, the Form to which such election or instruction relates will cease to be valid for any purpose. By making an election or giving an instruction under the Special Dealing Service a Qualifying Certificated Shareholder will be deemed to have represented, warranted and undertaken that he will not thereafter seek to take any action in respect of his Form. By giving your instruction under the Special Dealing Service, you will be deemed to have renounced your Nil Paid Rights, as applicable to your Instruction.

The terms and conditions of the Special Dealing Service are set out in the "Barclays PLC Rights Issue — Your Questions Answered" booklet accompanying the Forms. A Qualifying Certificated Shareholder who is eligible and elects to use the Special Dealing Service agrees to the terms and conditions of the Rights Issue set out in this Prospectus and the Special Dealing Service Terms and Conditions (including how the price for the sale of their Nil Paid Rights is calculated and the commissions that will be deducted from the proceeds of the sale of such Nil Paid Rights). Qualifying Certificated Shareholders using the Special Dealing Service should note that they will be clients of Equiniti Financial Services Limited and not of the Company when using such service. Equiniti Financial Services Limited's liability to such a Qualifying Certificated Shareholder and its responsibility for providing the protections afforded by the UK regulatory regime to clients for whom such services are provided is as set out in the Special Dealing Service Terms and Conditions, and neither Equiniti Financial Services Limited nor the Company shall have any liability or responsibility to a Qualifying Certificated Shareholder using the Special Dealing Service except as set out in those Special Dealing Service Terms and Conditions. None of the Company, the Broker or the Banks or their agents shall be responsible for any loss or damage (whether actual or alleged) arising from the terms or timing of any sale, any settlement issues arising from any sale, any exercise of discretion in relation to any sale, or any failure to procure any sale, of Nil Paid Rights pursuant to the Special Dealing Service.

The Company, Equiniti Financial Services Limited and/or their agents shall each have sole discretion to determine the eligibility of Qualifying Certificated Shareholders, and may each in their sole discretion interpret instructions (including handwritten markings) on the Form or received using the Automated Telephone Instruction Facility, and none of the Company, the Broker, the Banks, Equiniti Financial Services Limited or their agents shall be responsible for any loss or damage (whether actual or alleged) arising from any such exercise of discretion.

All remittances will be sent by post, at the risk of the Qualifying Certificated Shareholder entitled thereto, to the registered address of the relevant Qualifying Certificated Shareholder (or, in the case of joint holders, to the address of the joint holder whose name stands first in the register of Shareholders or the Sharestore Register (as applicable)).

No interest will be payable on any proceeds received from the sale of Nil Paid Rights under the Special Dealing Service.

2.1.6 Dealings in Fully Paid Rights

After acceptance and payment in full in accordance with the provisions set out in this Prospectus and the Provisional Allotment Letter, the Fully Paid Rights may be transferred by renunciation of the relevant Provisional Allotment Letter and delivering it, by post or by hand (during normal business hours other than on 2 October 2013) to The Registrar to Barclays, by not later than 11.59 p.m. on 2 October 2013. To do this, Qualifying Registered Shareholders will need to have their fully paid Provisional Allotment Letters returned to them after acceptance has been effected by The Registrar. Fully paid Provisional Allotment Letters will only be returned to Shareholders if their return is requested by ticking the appropriate box on the Provisional Allotment Letter. From 4 October 2013, the New Ordinary Shares will be in registered form and transferable in the usual way (see paragraph 2.1.12 of this Part II below).

No dealings in Fully Paid Rights may be effected using the Special Dealing Service.

2.1.7 Renunciation and splitting of Forms

(a) Provisional Allotment Letters

Qualifying Registered Shareholders who wish to transfer all of their Nil Paid Rights (other than using the Special Dealing Service) or, after acceptance of the provisional allotment and payment in full, Fully Paid Rights comprised in a Provisional Allotment Letter may (save as required by the laws of certain overseas jurisdictions) renounce such allotment by completing and signing Form X on the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and passing the entire Provisional Allotment Letter to their stockbroker or bank or other appropriate financial adviser or to the transferee. Once a Provisional Allotment Letter has been renounced, the letter will become a negotiable instrument in bearer form and the Nil Paid Rights or Fully Paid Rights (as appropriate) comprised in the Provisional Allotment Letter may be transferred by delivery of the Provisional Allotment Letter to the transferee. The latest time and date for registration of renunciation of Provisional Allotment Letters, nil or fully paid, is 11.59 p.m. on 2 October 2013.

If a holder of a Provisional Allotment Letter wishes to take up some (but not all) of his entitlement and wishes to sell or transfer the remainder, or wishes to transfer all the Nil Paid Rights or (if appropriate) Fully Paid Rights but to different persons, he must have the Provisional Allotment Letter split. To split a Provisional Allotment Letter, it must be delivered by post or by hand (during normal business hours only) to The Registrar to Barclays, by not later than 3.00 p.m. on 30 September 2013, with Form X on page 4 of the Provisional Allotment Letter duly completed and signed.

The number of split Provisional Allotment Letters required and the number of Nil Paid Rights or (as appropriate) Fully Paid Rights to be comprised in each split Provisional Allotment Letter should be stated in an accompanying letter. Form X on split Provisional Allotment Letters will be marked "Original Duly Renounced" before issue. The aggregate number of Nil Paid Rights or (as appropriate) Fully Paid Rights comprised in the split Provisional Allotment Letters must equal the number of New Ordinary Shares set out in Box 2 of the original Provisional Allotment Letter (less the number of New Ordinary Shares representing rights that the holder wishes to take up if taking up his entitlement in part). The split Provisional Allotment Letter(s) (representing the New Ordinary Shares the Shareholder does not wish to take up) will be required in order to sell those rights not being taken up.

The Company reserves the right to refuse to register any renunciation in favour of any person in respect of which the Company believes such renunciation may violate applicable legal or regulatory requirements, including (without limitation) any renunciation in the name of any person with an address outside the UK.

(b) Sharestore Forms of Instruction

Sharestore Forms of Instruction cannot be renounced, are not transferable by delivery and cannot be split.

2.1.8 Registration in names of Qualifying Registered Shareholders

A Qualifying Registered Shareholder who wishes to have all the New Ordinary Shares to which he is entitled registered in his name must accept and make payment for such allotment in accordance with the provisions set out in this Prospectus and the Provisional Allotment Letter but need take no further action. A share certificate in respect of the New Ordinary Shares subscribed for is expected to be sent to such Qualifying Registered Shareholders by no later than 17 October 2013.

2.1.9 Registration in names of persons other than Qualifying Registered Shareholders originally entitled

In order to register Fully Paid Rights in certificated form in the name of someone other than the Qualifying Registered Shareholders(s) originally entitled, the renounee or his agent(s) must complete Form Y on the Provisional Allotment Letter (unless the renounee is a CREST member who wishes to hold such New Ordinary Shares in uncertificated form, in which case Form X and the CREST Deposit Form must be completed (see paragraph 2.1.11 of this Part II below)) and deliver the entire Provisional Allotment Letter, when fully paid, by post or by hand (during normal business hours) to The Registrar to Barclays, by not later than the latest time for registration of renunciations, which is expected to be 3.00 p.m. on 27 September 2013. Registration cannot be effected unless and until the New Ordinary Shares comprised in a Provisional Allotment Letter are fully paid.

The New Ordinary Shares comprised in several renounced Provisional Allotment Letters may be registered in the name of one holder (or joint holders) if Form Y on the Provisional Allotment Letter is

completed on one Provisional Allotment Letter (the “Principal Letter”) and all the Provisional Allotment Letters are delivered in one batch. Details of each Provisional Allotment Letter (including the Principal Letter) should be listed in a covering letter accompanying the Form and the allotment number of the Principal Letter should be entered in the space provided on each of the other Provisional Allotment Letters.

2.1.10 Registration in Sharestore Register

A Qualifying Sharestore Member who wishes to have all of his entitlement to New Ordinary Shares registered in his name in the Sharestore Register must make payment and instruct the Sharestore Nominee by completing the Sharestore Form of Instruction in accordance with the provisions set out in this Prospectus and the Sharestore Form of Instruction but need take no further action. Sharestore Advice showing the Sharestore Members’ entitlements to New Ordinary Shares taken up is expected to be sent to Qualifying Sharestore Members by no later than 17 October 2013.

2.1.11 Deposit of Nil Paid Rights or Fully Paid Rights into CREST

The Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result of a renunciation of those rights or otherwise). Similarly, Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Subject as provided in the next following paragraph or in the Provisional Allotment Letter, normal CREST procedures and timings apply in relation to any such conversion. You are recommended to refer to the CREST Manual for details of such procedures.

The procedure for depositing the Nil Paid Rights represented by the Provisional Allotment Letter into CREST, whether such rights are to be converted into uncertificated form in the name(s) of the person(s) whose name(s) and address appear(s) on page 1 of the Provisional Allotment Letter or in the name of a person or persons to whom the Provisional Allotment Letter has been renounced, is as follows: Form X and the CREST Deposit Form (both on the Provisional Allotment Letter) will need to be completed and the Provisional Allotment Letter deposited with the CREST Courier and Sorting Service (“CCSS”). In addition, the normal CREST Stock Deposit procedures will need to be carried out, except that (a) it will not be necessary to complete and lodge a separate CREST Transfer Form (prescribed under the Stock Transfer Act 1963) with the CCSS and (b) only the whole of the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letter may be deposited into CREST. If you wish to deposit some only of the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letter into CREST, you must apply for split Provisional Allotment Letters by following the instructions in paragraph 2.1.2 above. If the rights represented by more than one Provisional Allotment Letter are to be deposited, the CREST Deposit Form on each Provisional Allotment Letter must be completed and deposited. The Consolidation Listing Form (as defined in the CREST Regulations) must not be used.

A holder of Nil Paid Rights (or, if appropriate, the Fully Paid Rights) represented by a Provisional Allotment Letter who is proposing to convert those rights into uncertificated form (whether following a renunciation of such rights or otherwise) is recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Nil Paid Rights (or, if appropriate, the Fully Paid Rights) in CREST following the conversion to take all necessary steps in connection with taking up the entitlement prior to 2.00 p.m. on 2 October 2013. **In particular, having regard to processing times in CREST and on the part of The Registrar, the latest recommended time for depositing a renounced Provisional Allotment Letter (with Form X and the CREST Deposit Form on the Provisional Allotment Letter duly completed) with the CCSS in order to enable the person acquiring the Nil Paid Rights (or, if appropriate, the Fully Paid Rights) in CREST as a result of the conversion to take all necessary steps in connection with taking up the entitlement prior to 2.00 p.m. on 2 October 2013 is 3.00 p.m. on 27 September 2013.**

When Form X and the CREST Deposit Form (on the Provisional Allotment Letter) have been completed, the title to the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letters will cease to be renounceable or transferable by delivery, and for the avoidance of doubt any entries in Form Y will not subsequently be recognised or acted upon by The Registrar. All renunciations or transfers of Nil Paid Rights or Fully Paid Rights must be effected through the CREST system once such Nil Paid Rights or Fully Paid Rights have been deposited into CREST.

CREST sponsored members should contact their CREST sponsor as only their CREST sponsor will be able to take the necessary action to take up the entitlement or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of the CREST sponsored member.

2.1.12 Issue of New Ordinary Shares in definitive form

(a) Qualifying Registered Shareholder

Definitive share certificates in respect of the New Ordinary Shares to be held in certificated form are expected to be despatched by post by 17 October 2013 at the risk of the persons entitled thereto to Qualifying Registered Shareholders (or their transferees who hold Fully Paid Rights in certificated form), or in the case of joint holdings, to the first-named Shareholders, at their registered address (unless valid address details have been completed on the Provisional Allotment Letter). After despatch of the definitive share certificates, Provisional Allotment Letters will cease to be valid for any purpose whatsoever. Pending despatch of definitive share certificates, instruments of transfer of the New Ordinary Shares will be certified by The Registrar against the register.

(b) Qualifying Sharestore Members

Sharestore Advice showing the Sharestore Members' entitlement to New Ordinary Shares taken up is expected to be sent to Qualifying Sharestore Members by no later than 17 October 2013.

2.2 Action to be taken by Qualifying CREST Shareholders in relation to Nil Paid Rights and Fully Paid Rights in CREST

2.2.1 General

It is expected that each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his entitlement to Nil Paid Rights on 18 September 2013. It is expected that such rights will be enabled as soon as practicable after 8.00 a.m. on 18 September 2013. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares in uncertificated form held at the close of business on the Record Date by the Qualifying CREST Shareholder in respect of which the Nil Paid Rights are provisionally allotted.

The maximum number of New Ordinary Shares that a Qualifying CREST Shareholder may take up is that which has been provisionally allotted to that Qualifying CREST Shareholder and for which he receives a credit of entitlement into his stock account in CREST. The minimum number of New Ordinary Shares a Qualifying CREST Shareholder may take up is one.

The Nil Paid Rights will constitute a separate security for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

If, for any reason, it is impracticable to credit the stock accounts of Qualifying CREST Shareholders, or to enable the Nil Paid Rights by 8.00 a.m. on 18 September 2013, Provisional Allotment Letters shall, unless the Company determines otherwise, be sent out in substitution for the Nil Paid Rights which have not been so credited or enabled and the expected timetable as set out in this Prospectus will be adjusted as appropriate. **References to dates and times in this Prospectus should be read as subject to any such adjustment.** The Company will make an appropriate announcement to a Regulatory Information Service giving details of any revised dates **but Qualifying CREST Shareholders may not receive any further written communication.**

CREST members who wish to take up their entitlements in respect of or otherwise to transfer Nil Paid Rights or Fully Paid Rights held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlement as only your CREST sponsor will be able to take the necessary action to take up your entitlements or otherwise to deal with your Nil Paid Rights or Fully Paid Rights.

2.2.2 Procedure for acceptance and payment

(i) MTM instructions

CREST members who wish to take up all or some of their entitlement in respect of Nil Paid Rights in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an MTM instruction to Euroclear UK that, on its settlement, will have the following effect:

- (a) the crediting of a stock account of The Registrar under the participant ID and member account ID specified below, with the number of Nil Paid Rights to be taken up;
- (b) the creation of a settlement bank payment obligation (as this term is defined in the CREST Manual), in accordance with the RTGS payment mechanism (as this term is defined in the

CREST Manual), in favour of the RTGS settlement bank of The Registrar in pounds sterling in respect of the full amount payable on acceptance in respect of the Nil Paid Rights referred to in paragraph 2.2.2(i)(a) above; and

- (c) the crediting of a stock account of the accepting CREST member (being an account under the same participant ID and member account ID as the account from which the Nil Paid Rights are to be debited on settlement of the MTM instruction) of the corresponding number of Fully Paid Rights to which the CREST member is entitled on taking up his Nil Paid Rights referred to in paragraph 2.2.2(i)(a) above.

(ii) Contents of MTM instructions

The MTM instruction must be properly authenticated in accordance with Euroclear UK's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of Nil Paid Rights to which the acceptance relates;
- (b) the participant ID of the accepting CREST member;
- (c) the member account ID of the accepting CREST member from which the Nil Paid Rights are to be debited;
- (d) the participant ID of The Registrar, in its capacity as a CREST receiving agent. This is 2RA32;
- (e) the member account ID of The Registrar, in its capacity as a CREST receiving agent. This is RA143501;
- (f) the number of Fully Paid Rights that the CREST member is expecting to receive on settlement of the MTM instruction. This must be the same as the number of Nil Paid Rights to which the acceptance relates;
- (g) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM instruction. This must be the full amount payable on acceptance in respect of the number of Nil Paid Rights referred to in paragraph 2.2.2(ii)(a) above;
- (h) the intended settlement date. This must be on or before the standard deadline for CREST cash settlement, 2.00 p.m. on 2 October 2013;
- (i) the Nil Paid Rights ISIN number which is GB00BCRY6Q68;
- (j) the Fully Paid Rights ISIN number which is GB00BCRY6S82;
- (k) the Corporate Action Number for the Rights Issue. This will be available by viewing the relevant corporate action details in CREST; and
- (l) contact name and telephone number in the shared note field.

(iii) Valid acceptance

An MTM instruction complying with each of the requirements as to authentication and contents set out in paragraph 2.2.2(ii) above will constitute a valid acceptance where either:

- (a) the MTM instruction settles by not later than the standard deadline for CREST cash settlement, 2.00 p.m. on 2 October 2013; or
- (b) at the discretion of the Company:
 - (I) the MTM instruction is received by Euroclear UK by not later than 2.00 p.m., which is the standard deadline for CREST cash settlement, on 2 October 2013;
 - (II) a number of Nil Paid Rights at least equal to the number of Nil Paid Rights inserted in the MTM instruction is credited to the CREST stock member account of the accepting CREST member specified in the MTM instruction at 2.00 p.m. on 2 October 2013; and
 - (III) the relevant MTM instruction settles by 2.00 p.m. on 2 October 2013 (or such later time and/or date as the Company may determine).

An MTM instruction will be treated as having been received by Euroclear UK for these purposes at the time at which the instruction is processed by the Network Providers' Communications Host (as this term is defined in the CREST Manual) at Euroclear UK of the network provider used by the CREST member (or by the CREST sponsored member's CREST sponsor). This will be conclusively determined by the input time stamp applied to the MTM UK instruction by the Network Providers' Communications Host.

The provisions of this paragraph 2.2.2(iii) and any other terms of the Rights Issue relating to Qualifying CREST Shareholders may be waived, varied or modified as regards specific Qualifying CREST Shareholder(s) or on a general basis by the Company.

(iv) Representations, warranties and undertakings of CREST members

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with this paragraph 2.2.2 represents, warrants and undertakes to the Company and the Banks that he has taken (or procured to be taken), and will take (or will procure to be taken), whatever action is required to be taken by him or by his CREST sponsor (as appropriate) to ensure that the MTM instruction concerned is capable of settlement by 2.00 p.m. on 2 October 2013. In particular, the CREST member or CREST sponsored member represents, warrants and undertakes that, by 2.00 p.m. on 2 October 2013 (or until such later time and date as the Company may determine), there will be sufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account to be debited with the amount payable on acceptance to permit the MTM instruction to settle. CREST sponsored members should contact their CREST sponsor if they are in any doubt.

If there is insufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account of a CREST member or CREST sponsored member for such amount to be debited or the CREST member's or CREST sponsored member's acceptance is otherwise treated as invalid and New Ordinary Shares have already been allotted to such CREST member or CREST sponsored member, the Company may (in its absolute discretion as to the manner, timing and terms) make arrangements for the sale of such New Ordinary Shares on behalf of that CREST member or CREST sponsored member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that has been suffered as a result of the acceptance being treated as invalid and of the expenses of sale, including, without limitation, any stamp duty or SDRT payable on the transfer of such New Ordinary Shares, and of all amounts payable by the CREST member or CREST sponsored member pursuant to the Rights Issue in respect of the acquisition of such New Ordinary Shares) on behalf of such CREST member or CREST sponsored member. None of the Company, the Banks, or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such CREST member or CREST sponsored member as a result.

(v) CREST procedures and timings

CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear UK does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of an MTM instruction and its settlement in connection with the Rights Issue. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 2.00 p.m. on 2 October 2013. In connection with this, CREST members and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(vi) CREST member's undertaking to pay

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this paragraph 2.2.2, (a) undertakes to pay to The Registrar, or procure the payment to The Registrar of, the amount payable in pounds sterling on acceptance in accordance with the above procedures or in such other manner as The Registrar may require (it being acknowledged that, where payment is made by means of CREST RTGS payment mechanism (as defined in the CREST manual), the creation of an RTGS payment obligation in pounds sterling in favour of The Registrar's RTGS settlement bank (as defined in the CREST Manual) in accordance with the RTGS payment mechanism shall, to the extent of the obligation so created, discharge in full the obligation of the CREST member (or CREST sponsored member) to pay the amount payable on acceptance) and (b) requests that the Fully Paid Rights and/or New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this Prospectus and subject to the Articles of Association of the Company.

If the payment obligations of the relevant CREST member or CREST sponsored member in relation to such New Ordinary Shares are not discharged in full and such New Ordinary Shares have already

been allotted to the CREST member or CREST sponsored member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such Shares on behalf of the CREST member or CREST sponsored member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that has been suffered as a result of the same and of the expenses of the sale, including, without limitation, any stamp duty or SDRT payable on the transfer of such Shares, and of all amounts payable by such CREST member or CREST sponsored member pursuant to the terms of the Rights Issue in respect of the acquisition of such Shares) or an amount equal to the original payment of the CREST member or CREST sponsored member. None of the Company or the Banks or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by the CREST member or CREST sponsored member as a result.

(vii) Company's discretion as to rejection and validity of acceptances

The Company may agree in its absolute sole discretion to:

- (a) reject any acceptance constituted by an MTM instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 2.2.2. Where an acceptance is made as described in this paragraph 2.2.2, which is otherwise valid, and the MTM instruction concerned fails to settle by 2.00 p.m. on 2 October 2013 (or by such later time and date as the Company have determined), the Company shall be entitled to assume, for the purposes of its right to reject an acceptance contained in this paragraph 2.2.2, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 2.2.2 unless the Company is aware of any reason outside the control of the CREST member or CREST sponsor (as appropriate) for the failure to settle;
- (b) treat as valid (and binding on the CREST member or CREST sponsored member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 2.2.2;
- (c) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, an MTM instruction and subject to such further terms and conditions as the Company and CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi may determine;
- (d) treat a properly authenticated dematerialised instruction (in this paragraph 2.2.2(vii)(d), the "first instruction") as not constituting a valid acceptance if, at the time at which The Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or The Registrar has received actual notice from Euroclear UK of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (e) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of an MTM instruction or any alternative instruction or notification, if, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to take up all or part of his Nil Paid Rights by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by The Registrar in connection with CREST.

2.2.3 Money Laundering Regulations

If you hold your Nil Paid Rights in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, The Registrar is entitled to take reasonable measures to establish the identity of the person or persons (or the ultimate controller of such person or persons) on whose behalf you are making the application and any submission of a MTM instruction is agreeing for The Registrar to make a search via a credit reference agency where deemed necessary. A record of search results will be retained. You must therefore contact The Registrar before sending any MTM instruction or other instruction so that appropriate measures may be taken.

Submission of an MTM instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to provide promptly to The Registrar any information The Registrar may specify as being required for the purposes of the verification of the identity requirements in the Money Laundering Regulations or the FSMA. Pending the provision of such information and other evidence as The Registrar may require to satisfy the verification of identity requirements, The Registrar, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the MTM instruction. If such information and other evidence of identity has not been provided within a reasonable time, then The Registrar will not permit the MTM instruction concerned to proceed to settlement but without prejudice to the right of the Company and/or CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi to take proceedings to recover any loss suffered by any of them as a result of failure by the applicant to provide such information and other evidence.

2.2.4 Dealings in Nil Paid Rights in CREST

Assuming the Rights Issue becomes unconditional, dealings in the Nil Paid Rights on the London Stock Exchange are expected to commence as soon as practicable after 8 a.m. on 18 September 2013. A transfer (in whole or in part) of Nil Paid Rights can be made by means of CREST in the same manner as any other security that is admitted to CREST. The Nil Paid Rights are expected to be disabled in CREST after the close of CREST business on 2 October 2013.

2.2.5 Dealings in Fully Paid Rights in CREST

After acceptance of the provisional allotment and payment in full in accordance with the provisions set out in this Prospectus, the Fully Paid Rights may be transferred by means of CREST in the same manner as any other security that is admitted to CREST. The last time for settlement of any transfer of Fully Paid Rights in CREST is expected to be 2.00 p.m. on 2 October 2013. The Fully Paid Rights are expected to be disabled in CREST after the close of CREST business on 2 October 2013. From 4 October 2013, the New Ordinary Shares will be registered in the name(s) of the person(s) entitled to them in the Company's register of members and will be transferable in the usual way (see paragraph 2.2.7 of this Part II below).

2.2.6 Withdrawal of Nil Paid Rights or Fully Paid Rights from CREST

Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Normal CREST procedures (including timings) apply in relation to any such conversion.

The recommended latest time for receipt by Euroclear UK of a properly authenticated dematerialised instruction requesting withdrawal of Nil Paid Rights or, if appropriate, Fully Paid Rights from CREST is 4.30 p.m. on 26 September 2013, so as to enable the person acquiring or (as appropriate) holding the Nil Paid Rights or, if appropriate, Fully Paid Rights following the conversion to take all necessary steps in connection with taking up the entitlement prior to 2.00 p.m. on 2 October 2013. You are recommended to refer to the CREST Manual for details of such procedures.

2.2.7 Issue of New Ordinary Shares in CREST

Fully Paid Rights in CREST are expected to be disabled in CREST after the close of CREST business on 2 October 2013, (the latest date for settlement of transfers of Fully Paid Rights in CREST). New Ordinary Shares (in definitive form) will be issued in uncertificated form to those persons registered as holding Fully Paid Rights in CREST no later than close of business, the Business Day after the date on which the Fully Paid Rights are disabled. The Registrar will instruct Euroclear UK to credit the appropriate stock accounts of those persons (under the same participant ID and member account ID that applied to the Fully Paid Rights held by those persons) with their entitlements to New Ordinary Shares to take effect as soon as practicable after 8.00 a.m. on 4 October 2013.

2.2.8 Right to allot/issue in certificated form

Despite any other provision of this Prospectus, the Company reserves the right to allot and/or issue any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by The Registrar in connection with CREST.

2.3 Procedure in respect of rights not taken up and withdrawal

2.3.1 Procedure in respect of rights not taken up

If rights to New Ordinary Shares are not validly taken up, in accordance with the procedure laid down in this Prospectus for acceptance, instruction and payment, then that provisional allotment will be deemed to have been declined and will lapse. CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi will endeavour to procure, by not later than 4.30 p.m. on 4 October 2013, subscribers for all (or as many as possible) of those New Ordinary Shares not taken up at a price per New Ordinary Share which is at least equal to the aggregate of the Issue Price and the expenses of procuring such subscribers (including any applicable brokerage and commissions and amounts in respect of value added tax).

Notwithstanding the above, CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi may cease to endeavour to procure any such subscribers if, in their opinion, it is unlikely that any such subscribers can be procured at such a price and by such a time. If and to the extent that subscribers for New Ordinary Shares cannot be procured on the basis outlined above, the Underwriters or their sub-underwriters will acquire the relevant Underwritten Shares under the terms of the Underwriting Agreement.

Any premium over the aggregate of the Issue Price and the expenses of procuring subscribers (including any applicable brokerage and commissions and amounts in respect of value added tax) shall be paid (subject as provided in this paragraph 2.3.1):

- (i) where the Nil Paid Rights were, at the time they lapsed, represented by a Provisional Allotment Letter, to the person whose name and address appeared on the Provisional Allotment Letter;
- (ii) where the Nil Paid Rights were, at the time they lapsed, in uncertificated form, to the person registered as the holder of those Nil Paid Rights at the time of their disablement in CREST; and
- (iii) where an entitlement to New Ordinary Shares was not taken up by an Overseas Shareholder with an address in any Excluded Territory, to that Overseas Shareholder.

Where the Nil Paid Rights were, at the time they lapsed, held by the Sharestore Nominee on behalf of a Qualifying Sharestore Member, such amount which a Sharestore Member is entitled to (if any) pursuant to paragraph (i) or (ii) above shall be paid to that Qualifying Sharestore Member.

New Ordinary Shares for which subscribers are procured on this basis will be reallocated to the subscribers and the aggregate of any premiums (being the amount paid by the subscribers after deducting the Issue Price and the expenses of procuring the subscribers, including any applicable brokerage and commissions and amounts in respect of value added tax), if any, will be paid (without interest) to those persons entitled (as referred to in paragraphs (i) to (iii) above) *pro rata* to the relevant lapsed provisional allotments, save that amounts of less than £3.00 per holding will not be so paid but will be aggregated and donated to UNICEF. Cheques for the amounts due will be sent by post, at the risk of the person(s) entitled, to their registered addresses (the registered address of the first-named holder in the case of joint holders), provided that, where any entitlement concerned was held in CREST, the amount due will, unless the Company (in its absolute discretion) otherwise determines, be satisfied by the creation of an assured payment obligation in favour of the relevant CREST member's (or CREST sponsored member's) RTGS settlement bank in respect of the cash amount concerned in accordance with the RTGS payment mechanism.

Any transactions undertaken pursuant to this paragraph 2.3.1 or paragraph 2.5.1 below shall be deemed to have been undertaken at the request of the persons entitled to the lapsed provisional allotments or other entitlements and none of the Company or the Banks or any other person procuring subscribers shall be responsible for any loss or damage (whether actual or alleged) arising from the terms or timing of any such acquisition, any decision not to endeavour to procure subscribers or the failure to procure subscribers on the basis so described. The Underwriters will be entitled to retain any brokerage fees, commissions or other benefits received in connection with these arrangements.

It is a term of the Rights Issue that all New Ordinary Shares validly taken up by subscribers under the Rights Issue may be allotted to such subscribers in the event that not all of the New Ordinary Shares offered for subscription under the Rights Issue are taken up.

2.3.2 Withdrawal rights

Persons who have the right to withdraw their acceptances under Section 87Q(4) of the FSMA after a supplementary prospectus (if any) has been published and who wish to exercise such right of withdrawal must do so by lodging a written notice of withdrawal (which shall not include a notice sent by facsimile

or any other form of electronic communication), which must include the full name and address of the person wishing to exercise such statutory withdrawal rights and, if such person is a CREST member, the participant ID and the member account ID of such CREST member, with The Registrar so as to be sent no later than two Business Days after the date on which the supplementary prospectus was published, withdrawal being effective as at posting of the written notice of withdrawal. Notice of withdrawal given by any other means or which is deposited with or received by The Registrar after the expiry of such period will not constitute a valid withdrawal. Furthermore, the Company will not permit the exercise of withdrawal rights after payment by the relevant Shareholder of its subscription amount in full and the allotment of the New Ordinary Shares to such Shareholder or the Sharestore Nominee (as applicable) becoming unconditional. In such circumstances, Shareholders are advised to consult their professional advisers.

Provisional allotments of entitlements to New Ordinary Shares which are the subject of a valid withdrawal notice will be deemed to be declined. Such entitlements to New Ordinary Shares will be subject to the provisions of paragraph 2.3.1 above as if the entitlement had not been validly taken up.

2.4 Taxation

Please see paragraph 1 in Part VII “*Taxation*” of this Prospectus for certain information about UK taxation (including a discussion of UK stamp duty and SDRT which is relevant to Qualifying Shareholders and Qualifying Sharestore Members, irrespective of their tax residence). Please see paragraphs 2 to 10 inclusive of Part VII “*Taxation*” of this Prospectus for certain information about taxation in Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain. Qualifying Shareholders and Qualifying Sharestore Members who are in any doubt as to their tax position, or who are subject to tax in a jurisdiction other than those noted above, should consult their own independent tax adviser without delay.

2.5 Overseas Shareholders

This Prospectus has been approved by the FCA, the authority responsible for maintaining the Official List in the United Kingdom. The Company has requested that the FCA provides a certificate of approval and a copy of this document to the relevant competent authorities (with a translation into the appropriate language of the summary contained in this document, where relevant) in Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland and Spain, pursuant to the passporting provisions of FSMA.

In the United States, the Rights Issue is being made pursuant to the US Prospectus. If you are a US holder of Existing Ordinary Shares or a holder of ADSs, wherever located, please see paragraph 2.5.2 below.

In Canada, the Rights Issue is being made pursuant to the Canadian Offering Memorandum. If you are a holder in Canada of Existing Ordinary Shares or ADSs, please see paragraph 2.5.2 below.

2.5.1 General

The making or acceptance of the proposed offer of Nil Paid Rights, Fully Paid Rights and/or New Ordinary Shares to persons who have registered addresses in, or who are resident in, or citizens of, countries other than the UK, Belgium, Cyprus, France, Germany, Italy, Malta, The Netherlands, The Republic of Ireland or Spain, may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlement.

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the UK wishing to take up rights to New Ordinary Shares or otherwise participate in the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 2.5 are intended as a general guide only and any Overseas Shareholder who is in doubt as to his position should consult his professional adviser without delay.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of persons in the Excluded Territories to take up rights to New Ordinary Shares or otherwise participate in the Rights Issue due to the time and costs involved in the registration of this Prospectus and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Receipt of this Prospectus and/or a Form or the crediting of Nil Paid Rights to a stock account in CREST will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a Form must be treated as sent for information only and should not be copied or redistributed.

New Ordinary Shares will be provisionally allotted (nil paid) to all Shareholders on the register at the close of business on the Record Date. However, Forms will not be sent to, and Nil Paid Rights will not be credited to CREST accounts of, Shareholders with registered addresses in the Excluded Territories or their agents or intermediaries, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Prospectus and/or a Form and/or receiving a credit of Nil Paid Rights to a stock account in CREST in any territory other than the UK may treat the same as constituting an invitation or offer to him nor should he in any event use the Form or deal with Nil Paid Rights or Fully Paid Rights in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Form could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Prospectus and the Form are to be treated as sent for information only and should not be copied or redistributed.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Prospectus and/or a Form or whose stock account is credited with Nil Paid Rights or Fully Paid Rights should not, in connection with the Rights Issue, distribute or send the same or transfer Nil Paid Rights or Fully Paid Rights in or into any jurisdiction where to do so would or might contravene local security laws or regulations. If a Form or a credit of Nil Paid Rights or Fully Paid Rights is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the rights referred to in the Form or in this Prospectus or renounce the Provisional Allotment Letter or transfer the Nil Paid Rights or Fully Paid Rights unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who does forward this Prospectus or a Form, or transfer, Nil Paid Rights or Fully Paid Rights into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph 2.5.

The Company reserves the right to treat as invalid and will not be bound to allot or issue any New Ordinary Shares in respect of any acceptance or instruction or purported acceptance or instruction which:

- (i) appears to the Company or its agents to have been executed, effected or despatched from an Excluded Territory;
- (ii) in the case of a Form, provides an address for delivery of the share certificates or other statements of entitlement or advice in an Excluded Territory or any other jurisdiction outside the UK in which it would be unlawful to deliver such certificates, statements or advice or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or
- (iii) in the case of a credit in CREST, to a CREST member or CREST sponsored member whose registered address is in an Excluded Territory or any other jurisdiction outside the UK in which it would be unlawful to make such a credit or if the Company or its agents believe that making such credit may violate applicable legal or regulatory requirements.

Rights to New Ordinary Shares to which Shareholders with registered addresses in any of the Excluded Territories would otherwise be entitled will be aggregated with entitlements to Nil Paid Rights which have not been taken up by other Shareholders and, if possible, sold as described in paragraph 2.3 above. The net proceeds of such sales (after deduction of expenses) will be paid to the relevant Shareholders pro-rated to their holdings of Existing Ordinary Shares at the close of business on the Record Date as soon as practicable after receipt, except that (i) individual amounts of less than £3.00 per holding and (ii) amounts in respect of fractions will not be distributed but will be donated to UNICEF. None of the Company, the Banks or any other person shall be responsible or have any liability whatsoever for any loss or damage (actual or alleged) arising from the terms or the timing of the acquisition or the procuring of it or any failure to procure subscribers.

Despite any other provision of this Prospectus or a Form, the Company reserves the right to permit any Shareholder or Sharestore Member to participate in the Rights Issue on the terms and conditions set out in this Prospectus as if it were a Qualifying Shareholder or Qualifying Sharestore Member if the Company in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not

subject to the legislation or regulations giving rise to the restrictions in question. If the Company is so satisfied, the Company will arrange for the relevant Overseas Shareholder to be sent a Form if he is a Qualifying Certificated Shareholder or, if he is a Qualifying CREST Shareholder, arrange for Nil Paid Rights to be credited to the relevant CREST stock account.

These Shareholders or Sharestore Members who wish, and are permitted, to take up their entitlement should note that payments must be made as described in paragraphs 2.1 (Qualifying Certificated Shareholders) and 2.2 (Qualifying CREST Shareholders) above.

The attention of Overseas Shareholders with registered addresses in any of the Excluded Territories is also drawn to paragraph 2.5.3 below.

Overseas Shareholders (other than Qualifying CREST Shareholders) should note that all subscription monies must be paid in pounds sterling by cheque or banker's draft and should be drawn on a bank in the UK, made payable to "Barclays PLC Rights Issue" or, if a Sharestore Member, "Barclays PLC Sharestore Rights Issue" and crossed "A/C payee only".

2.5.2 United States and Canada

This document is intended only for use in connection with the Rights Issue outside of the United States and Canada and is not to be given or sent, in whole or in part, to any person within the United States or Canada.

In the United States, the Rights Issue is being made pursuant to the US Prospectus. The US Prospectus will be available for free on the SEC's website at www.sec.gov or by accessing Barclays' website at Barclays.com/rightsissue. If you have received this Prospectus and you are a US holder of Existing Ordinary Shares or a holder of ADSs wherever located, you should receive a notice informing you of how to access the US Prospectus electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the US Prospectus. Copies of the US Prospectus may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc, 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in the US).

In Canada, the Rights Issue is being made pursuant to the Canadian Offering Memorandum that incorporates by reference the US Prospectus. The Canadian Offering Memorandum is available for free by accessing Barclays' website at Barclays.com/rightsissue. If you have received this Prospectus and you are a holder in Canada of Existing Ordinary Shares or ADSs, you should receive a notice informing you of how to access the Canadian Offering Memorandum electronically; alternatively, you may contact the bank, broker or financial intermediary through which you hold your Existing Ordinary Shares or ADSs to request a copy of the Canadian Offering Memorandum. Copies of the Canadian Offering Memorandum may also be obtained by contacting Barclays, c/o D.F. King & Co., Inc., 48 Wall Street, New York, NY 10005, +1 (212) 269-5550 (call collect) or +1 (800) 269-6427 (toll free in Canada).

2.5.3 The Excluded Territories

Due to restrictions under the securities laws of the Excluded Territories, and subject to certain exceptions, no Forms will be sent to, and no Nil Paid Rights or Fully Paid Rights will be credited to a stock account in CREST of, persons with registered addresses in the Excluded Territories and the Nil Paid Rights to which they are entitled will be sold if possible in accordance with the provisions of paragraph 2.3 above. Subject to certain exceptions, the Forms, the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares may not be transferred or sold to, or renounced or delivered in, the Excluded Territories. No offer of New Ordinary Shares is being made by virtue of this Prospectus or the Forms into the Excluded Territories.

2.5.4 Overseas territories other than the Excluded Territories

Forms will be posted to Qualifying Certificated Shareholders and Nil Paid Rights will be credited to the CREST stock accounts of Qualifying CREST Shareholders. Such Qualifying Shareholders and Qualifying Sharestore Members may, subject to the laws of the relevant jurisdictions, participate in the Rights Issue in accordance with the instructions set out in this Prospectus and, if relevant, the applicable Form. In cases where Overseas Shareholders do not take up Nil Paid Rights, their entitlements will be sold if possible in accordance with the provisions of paragraph 2.3 above.

Qualifying Shareholders and Qualifying Sharestore Members who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK, Belgium, Cyprus, France,

Germany, Italy, Malta, The Netherlands, The Republic of Ireland or Spain should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlement.

2.5.5 Representations and warranties relating to Overseas Shareholders

(i) Qualifying Registered Shareholders

Any person accepting and/or renouncing a Provisional Allotment Letter or requesting registration of the New Ordinary Shares comprised therein or giving an instruction through the Special Dealing Service represents and warrants to the Company and the Banks that, except where proof has been provided to the Company's satisfaction that such person's use of the Provisional Allotment Letter or the effecting of the instruction will not result in the contravention of any applicable legal or regulatory requirement in any jurisdiction, (a) such person is not accepting and/or renouncing the Provisional Allotment Letter, requesting registration of the relevant New Ordinary Shares or giving such instruction, from within any of the Excluded Territories; (b) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for New Ordinary Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it or to give such instructions; (c) such person is not acting on a non-discretionary basis for, or on behalf of, or for the account or benefit of, a person located within any Excluded Territory or any territory referred to in (b) above at the time the instruction to accept, renounce or deal was given; and (d) such person is not acquiring Nil Paid Rights, Fully Paid Rights or New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares into any Excluded Territory or any territory referred to in (b) above. The Company may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in, or renunciation or purported renunciation of, a Provisional Allotment Letter or any instruction given through the Special Dealing Service if it (a) appears to the Company to have been executed in or despatched from any Excluded Territory or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it believes the same may violate any applicable legal or regulatory requirement; (b) provides an address in any Excluded Territory (or any jurisdiction outside the UK in which it would be unlawful to deliver share certificates or sales advice); or (c) purports to exclude the warranty required by this paragraph 2.5.5(i).

(ii) Qualifying Sharestore Members

A Qualifying Sharestore Member who makes a valid instruction in accordance with this Part II (including through the Special Dealing Service) represents and warrants to the Company and the Banks that, except where proof has been provided to the Company's satisfaction that such person's instruction will not result in the contravention of any applicable legal requirement in any jurisdiction, (a) he is not within any of the Excluded Territories; (b) he is not in any territory in which it is unlawful to make or accept an offer to subscribe for New Ordinary Shares or to give any such instruction; (c) he is not acting on a non-discretionary basis for, or on behalf of, or for the account or benefit of, a person located within any Excluded Territory or any territory referred to in (b) above at the time the instruction was given; and (d) he is not acquiring Nil Paid Rights, Fully Paid Rights or New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares into any Excluded Territory. The Company may treat as invalid any instruction or purported instruction (including through the Special Dealing Service) in respect of the allotment of New Ordinary Shares to which a Form relates or given through the Special Dealing Service if it (a) appears to the Company to have been executed in or despatched from any Excluded Territory or otherwise in any manner which would involve a breach of the laws of any jurisdiction or of if it believes the same may violate any applicable legal or regulatory requirement; (b) provides an address in an Excluded Territory (or any jurisdiction outside the UK in which it would be unlawful to deliver Sharestore Advice or sales advice); or (c) purports to exclude the warranty required by this paragraph 2.5.5(ii).

(iii) Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part II represents and warrants to the Company and the Banks that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction, (a) he is

not within any of the Excluded Territories; (b) he is not in any territory in which it is unlawful to make or accept an offer to subscribe for New Ordinary Shares; (c) he is not accepting on a non-discretionary basis for, or on behalf of, or for the account or benefit of, a person located within any Excluded Territory or any territory referred to in (b) above at the time the instruction to accept was given; and (d) he is not acquiring Nil Paid Rights, Fully Paid Rights or New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Ordinary Shares into any Excluded Territory.

The provisions of this paragraph 2.5.5 and any other terms of the Rights Issue relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders(s) or on a general basis by the Company in its absolute discretion. Subject to this, the provisions of this paragraph 2.5.5 supersede any terms of the Rights Issue inconsistent herewith. References in this paragraph 2.5.5 to Shareholders shall include references to the person or persons executing a Provisional Allotment Letter or Form and, in the event of more than one person executing a Provisional Allotment Letter or Form, the provisions of this paragraph 2.5.5 shall apply to them jointly and to each of them.

2.6 Times and dates

The Company shall (in consultation with CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi but otherwise in its discretion) be entitled to amend the dates that the Forms are despatched or dealings in Nil Paid Rights commence or amend or extend the latest date for acceptance or instruction under the Rights Issue and all related dates set out in this Prospectus and in such circumstances shall notify the UK Listing Authority, and make an announcement on a Regulatory Information Service approved by the UK Listing Authority. **In the event that such an announcement is made, Qualifying Shareholders and Qualifying Sharestore Members may not receive any further written communication in respect of such amendment or extension of the dates included in this Prospectus.**

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Rights Issue specified in this Prospectus (or such later date as may be agreed between the Company and CSSEL, Deutsche Bank, BofA Merrill Lynch and Citi), the latest date for acceptance or instruction under the Rights Issue shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

2.7 Governing law

The terms and conditions of the Rights Issue as set out in this Prospectus and the Forms and any non-contractual obligations arising out of or in relation to the Rights Issue shall be governed by, and construed in accordance with, English law.

2.8 Jurisdiction

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Issue, this Prospectus or the Forms (including any dispute relating to any non-contractual obligations arising out of or in connection with them). By accepting rights under the Rights Issue in accordance with the instructions set out in this Prospectus and (in the case of Qualifying Certificated Shareholders only) the Forms, Shareholders, Sharestore Members and any other person who participates in the Rights Issue irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART III
INFORMATION ON BARCLAYS

PART A: Information on Barclays and the Group

1. Introduction

Barclays is a major global financial services provider engaged in personal banking, credit cards, corporate and investment banking and wealth and investment management with an extensive international presence in Europe, the Americas, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and as at 31 December 2012 employed approximately 140,000 people.

Based on Barclays' audited consolidated historical financial information for the year ended 31 December 2012, the Group had total assets of £1,488,335 million (restated) (2011 (restated): £1,562,083 million), total net loans and advances¹ of £464,368 million (restated) (2011: £479,380 million), total deposits² of £462,423 million (restated) (2011: £457,148 million), and total shareholders' equity of £59,986 million (restated) (2011 (restated): £63,959 million) (including non-controlling interests of £9,371 million (2011: £9,607 million)). Profit before tax for the Group for the year ended 31 December 2012 was £797 million (restated) (2011 (restated): £5,770 million) including an own credit charge of £4,579 million (2011: gain of £2,708 million), credit impairment and other provision charges of £3,340 million (2011: £5,602 million), a £1,600 million provision relating to PPI redress (2011: £1,000 million) and a £850 million provision relating to interest rate hedging products redress (2011: nil).

Based on Barclays' unaudited condensed consolidated historical financial information for the six months ended 30 June 2013, the Group had total assets of £1,532,733 million (30 June 2012 (restated): £1,629,056 million), total net loans and advances¹ of £516,513 million (30 June 2012 (restated): £501,509 million), total deposits² of £538,594 million (30 June 2012 (restated): £502,736 million), and total shareholders' equity of £60,137 million (30 June 2012 (restated): £60,420 million) (including non-controlling interests of £9,054 million (30 June 2012: £9,485 million)). Profit before tax for the Group for the six months ended 30 June 2013 was £1,677 million (30 June 2012 (restated): £871 million) including credit impairment and other provision charges of £1,631 million (30 June 2012 (restated): £1,710 million), a £1,350 million provision for PPI redress (30 June 2012: £300 million) and a £650 million provision relating to interest rate hedging products redress (30 June 2012: £450 million).

2. History and Development of the Group

While the origins of the Group can be traced back to the 17th century, the first corporate entity, Barclay & Company Limited, was established with limited liability in 1896 when a banking partnership, Barclay, Bevan, Tritton, Ransom, Bouverie & Co, amalgamated with 19 privately owned UK banks. In 1917, the name Barclays Bank Limited was adopted.

Barclays Bank expanded its operations overseas by acquiring interests in banks in countries having ties with the United Kingdom. In 1925, these overseas operations were consolidated into a single entity, subsequently named Barclays Bank D.C.O., with Barclays Bank as a majority stockholder until 1971 when it acquired the minority interests and Barclays Bank D.C.O. became a wholly owned subsidiary and was renamed Barclays Bank International Limited ("BBI"). Banking activities in the United Kingdom were extended by the acquisition of Martins Bank Limited in 1969 and the integration of its activities with those of Barclays Bank and, in 1982, the Company was re-registered as a public limited company.

In 1981, Barclays became the first foreign bank to register with the SEC and raise long-term capital on the New York market.

On 1 January 1985, Barclays Bank was renamed Barclays PLC and the whole of its business undertaking, other than its shareholding in BBI, was transferred to BBI, which was in turn renamed Barclays Bank PLC. Barclays Bank PLC thus became the principal operating company within the Group with responsibility for both the operations in the United Kingdom and overseas.

Barclays created its investment banking division, BZW in 1986 through the merger of Barclays Merchant Bank/ Barclays Investment Management, De Zoete Bevan and Wedd Durlacher Mordaunt & Co., which

¹ Total net loans and advances include balances relating to both bank and customer accounts.

² Total deposits include deposits from bank and customer accounts.

subsequently developed into Barclays' Investment Bank (formerly Barclays Capital). In 1996, Barclays purchased the fund manager Wells Fargo Nikko Investment Advisers, which was integrated with BZW Investment Management to form Barclays Global Investors. The Barclays Global Investors business was subsequently sold to BlackRock, Inc. ("BlackRock") in 2009 in exchange for cash and shares in BlackRock. The shares in BlackRock were sold in 2012.

Woolwich plc, a UK mortgage bank and former building society founded in 1847, was acquired in 2000. In 2003 Barclays completed the acquisition of Banco Zaragozano, at that time one of Spain's largest private sector banking groups, and in 2005 Barclays acquired a majority shareholding in Absa Group Limited ("Absa"), South Africa's largest retail bank. In 2013, Barclays completed the combination of its Africa operations with Absa. Absa was subsequently renamed Barclays Africa Group Limited but continues to trade under the name Absa.

Barclays acquired the Lehman Brothers North American investment banking and capital markets businesses in 2008, which was successfully integrated into Barclays Investment Bank in 2009.

Barclays acquired Standard Life Bank in 2010. In 2011, Barclays acquired Egg's UK credit card assets and in 2013, Barclays acquired the deposits, mortgages and business assets of ING Direct UK.

3. Transform programme

The Transform programme represents the current strategy of the Group and was formulated pursuant to a strategic business review, the results of which were announced on 12 February 2013. The Transform programme is designed to make Barclays the 'Go-To' bank for all of its stakeholders and has three substantive elements: "Turnaround", "Return Acceptable Numbers" and "Sustain FORward Momentum".

Turnaround

In order to stabilise the bank and allow it to move forward, the Group introduced a common purpose and set of values. The purpose is "To help people achieve their ambitions — in the right way". The values are Respect, Integrity, Service, Excellence and Stewardship.

Return Acceptable Numbers

Returning Acceptable Numbers is about delivering on the plan to achieve a Group return on equity above the Group's cost of equity. In order to achieve this, the Group announced that it would (i) focus solely on activities that support customers and clients in geographic markets and businesses where Barclays has scale and competitive advantage, (ii) focus investment in the UK, US and Africa, whilst maintaining an appropriate presence across Europe and Asia to support the Group's global investment banking franchise, (iii) restructure its European retail operations to focus on the mass affluent customer segment, (iv) reposition Barclays European and Asian equities and investment banking division businesses to reflect the market opportunities and maintain a relevant proposition for our clients; (v) close the structured capital markets business unit, (vi) manage risk weighted assets more efficiently through run-off of legacy assets across the Group, and (vii) reduce total costs significantly across the Group.

Sustain FORward Momentum

Sustaining FORward Momentum is about defining how the bank will embed a culture and way of working which delivers the right outcomes, in the right way, for all its stakeholders, by embedding long term change to deliver long term returns. This is expected to be achieved by a focus on four areas: Culture, Reward, Control and Cost.

Evolution of the Transform programme

The Transform programme was expanded in April 2013 to take into account the recommendations made by the independent Salz review to the extent they were not already reflected in the programme. Certain of the financial commitments have also been varied to accommodate the Leverage Plan and details of this are provided in Part I “Letter from the Chairman of Barclays PLC” of this Prospectus, and are summarised in the below table:

	Original Target for 2015	Revised Target
Return on Equity	RoE > CoE	RoE > CoE in the course of 2016
Cost/ Income Ratio	Mid-50's	No change
CRD IV Risk Weighted Assets	£440 billion	No change
Dividend Payout Ratio	30%	40-50% from 2014
Operating Expenses (excl. Costs to Achieve Transform)	£16.8 billion	No change
Common Equity Tier 1 Ratio	Transitional CET1 ratio >10.5%	Fully loaded CET1 ratio >10.5% early in 2015

The non-financial commitments remain unchanged. These are:

- to embed the purpose and values across Barclays and publish an annual scorecard assessing performance against the five dimensions of customers and clients, company, conduct, colleagues and citizenship; and
- to provide greater disclosure and transparency around the Group's financial results and performance, aiming to be industry leading.

Progress to date

The main financial progress achieved to date in the Transform programme is the investment Barclays made in the first half of 2013. Barclays anticipates £1.2 billion of Costs to Achieve (“CTA”) the Transform programme in 2013, reflecting the acceleration of £200 million of the £2.7 billion total previously disclosed and having recognised £640 million in the first half of 2013 on restructuring and investment, predominantly in the Investment Bank and Europe Retail and Business Banking.

Within the Investment Bank, Barclays has right-sized its Equities and Banking operations in Asia Pacific and Europe (excluding the UK) to reflect the size of the revenue opportunity. This includes a reduction in front office headcount of approximately 700, giving rise to anticipated savings of approximately £295 million per year. Barclays has closed approximately 180 branches and sales centres in Europe Retail and Business Banking in the first half of 2013.

Of the £2.7 billion CTA budget for 2015, Barclays expects to incur approximately £1.4 billion in the retail businesses, £400 million in Wealth, over £300 million in Corporate Banking and close to £600 million in the Investment Bank.

Of the £1.7 billion target of cost reductions for 2015 in the Transform programme, approximately £0.7 billion is expected to come from the front office, £0.8 billion from Operations and Technology, and approximately £0.2 billion from functions, such as human resources, finance and risk.

The Group continues to make good progress in reducing those assets identified in the strategic business review as “exit quadrant assets”. In the first half of the 2013 financial year, Risk Weighted Assets in respect of this portfolio were reduced by £25 billion to £68 billion, principally reflecting reductions in the Investment Bank.

Barclays remains committed to its purpose of helping people to achieve their ambitions, in the right way — and the Values that underpin it. By the end of the first half of the 2013 financial year, 95% of Barclays employees had attended a half day Values workshop and Barclays will be launching its Balanced Scorecard across the Senior Leadership Group in the second half of the 2013 financial year in order to measure its progress. This will be introduced for all Barclays employees from mid 2014.

As announced in February 2013, there are certain risks to achieving the successful implementation of the Transform programme. Moreover, progress on the various components of the programme, including the reduction of costs relative to net operating income, is not uniform or linear, with certain targets being achieved more slowly than others.

4. Corporate Structure

Barclays PLC is the ultimate parent company of the Group and owns 100% of the ordinary shares of Barclays Bank PLC through which substantially all of the Group's business is transacted. A list of the Group's principal subsidiaries, which are considered by Barclays to be likely to have a significant effect on the assessment of the assets and liabilities, the financial position and the profits and losses of the Group, are set out in paragraph 11 of Part VIII "*Additional Information*" of this Prospectus.

5. Business Overview and Geographic Regions

The Group is structured around its seven business segments: UK Retail and Business Banking, Europe Retail and Business Banking, Africa Retail and Business Banking, Barclaycard, Investment Bank, Corporate Banking and Wealth and Investment Management.

UK Retail and Business Banking ("UKRBB")

UKRBB is Barclays' UK-based high street retail bank network and brand presence. Its strategy is to develop and deliver simple and transparent products, run on scalable infrastructure and with investment to enhance its customers' experiences.

UKRBB provides a range of personal financial services including mortgages and loans, current and savings accounts through an extensive UK branch network, as well as through digital channels. UKRBB also supports small and medium enterprises with specialist advice, products and services.

UKRBB has over 15 million personal customers in the UK, one million of whom are classified as mass-affluent, and serves over 750,000 businesses. UKRBB is supporting the local economy with continued growth in net new lending to UK households and businesses.

UKRBB also provides customer referrals for Barclaycard, Wealth and Investment Management and Corporate Banking.

Europe Retail and Business Banking ("Europe RBB")

Europe RBB offers a full range of banking, investment and insurance products tailored to meet its customers' financial needs. Europe RBB provides services to over 1.5 million retail customers and businesses in Europe.

Within its customer base, Europe RBB is focusing increasingly on the mass-affluent segment and aims to leverage the expertise of Barclays' other Retail and Business Banking franchises to benefit its client base as well as to exploit synergies across the Group's non-retail European businesses.

As announced in February 2013, Europe RBB continues to focus on repositioning its business in order to target growth in the mass affluent segment. This is being done through, in particular, downsizing its presence and the run-off of low-performing legacy assets, accelerated through a dedicated asset optimisation team.

Africa Retail and Business Banking ("Africa RBB")

Africa RBB serves 13.3 million customers and clients across 12 African countries, providing a range of banking products through its local Retail and Business banking operations and the local presence of its global businesses — Barclaycard, Corporate Banking, Investment Bank and Wealth and Investment Management.

In July 2013, Barclays completed the consolidation of the majority of its African banking operations with Absa.

Barclaycard

Barclaycard is an international payments business service provider, servicing retail and business customers (including credit cards, consumer lending, merchant acquiring, commercial cards and point of sale finance). Barclaycard, the eighth largest payments business in the world as at 31 December 2012, provides the Group with exposure to the fast growing global payments industry and is an important source of new relationships to Barclays for both individual and business customers.

As at 30 June 2013, Barclaycard served over 33 million retail and business customers across the world, including the United Kingdom, United States, Germany, South Africa (through Absa Card) and Norway, Sweden and Denmark (each through the EnterCard joint venture).

Investment Bank

Barclays operates a universal banking model, with a presence in 50 countries, which is designed to allow the Investment Bank, which is very significant to the overall group, to meet its clients' needs by connecting capabilities from across the Group. The Investment Bank aims to be the 'Go-To' bank for corporate and institutional clients, providing them with the products and services they need to invest and manage risk. Clients include multi-national corporates, sovereign governments and supranational bodies and financial institutions, including banks, pension funds and insurance firms.

Barclays' Investment Bank provides execution and risk management across a broad range of asset classes including equity and fixed income, currency and commodity products. It facilitates client transactions on stock, options and futures exchanges globally and provides prime brokerage services to institutional clients. It is an active market-maker for securities across a variety of asset classes and provides access to derivative products, allowing organisations to hedge exposure to movements in interest rates, currencies and commodity prices.

Services also include arranging and underwriting debt and equity issuances, providing advice on mergers and acquisitions, corporate finance and restructurings.

Corporate Banking

Corporate Banking is an integral part of Barclays' universal banking offering, providing financing to corporations worldwide. Clients include multinational corporates and financial institutions globally, and domestic corporations in the UK and South Africa. Corporate Banking provides clients with lending, finance, risk management, advice, and transactional payments support.

Wealth and Investment Management ("W&IM")

W&IM provides a full range of wealth management services to affluent and high-net-worth clients globally, including banking, credit, investments and advisory services.

Summary of total income and profit before tax by business segment and total income by geographic region

A summary of the Group's total income and profit before tax for the years ended 31 December 2010, 2011 and 2012 and the six months ended 30 June 2013 and 2013 by business segment (in the case of total income and profit before tax) and geographic region (in the case of total income) is set out below.

	For the six months ended 30 June		For the year ended 31 December			
	2013	2012	2012	2011	2011	2010
		(Restated)	(Restated)	(Restated)		
	(Unaudited)					
Adjusted total income net of insurance claims by business						
	(£mn)					
UK RBB	2,202	2,184	4,384	4,621	4,656	4,518
Europe RBB	352	379	708	1,004	1,226	1,164
Africa RBB	1,352	1,493	2,928	3,364	3,571	3,512
Barclaycard	2,343	2,112	4,344	4,305	4,095	4,024
Investment Bank	6,473	6,460	11,775	10,222	10,335	13,209
Corporate Banking	1,552	1,583	3,046	3,315	3,108	3,162
Wealth and Investment Management	931	894	1,820	1,770	1,744	1,560
Head Office Functions and Other Operations	(134)	387	356	(88)	(222)	(100)
Total	15,071	15,492	29,361	28,513	28,513	31,049
Adjusting items ⁽¹⁾	86	(2,718)	(4,352)	3,779	3,779	391
Statutory Group income	15,157	12,774	25,009	32,292	32,292	31,440

(1) Adjusting items primarily include the impact of own credit within Head Office Functions and Other Operations.

	For the six months ended 30 June		For the year ended 31 December			
	2013	2012	2012	2011	2011	2010
		(Restated)	(Restated)	(Restated)		
	(Unaudited)					
Adjusted profit before tax by business	(£mn)					
UK RBB	632	592	1,225	1,222	1,420	889
Europe RBB	(709)	(148)	(343)	(340)	(234)	(168)
Africa RBB	212	183	322	730	830	649
Barclaycard	775	751	1,482	1,212	1,208	791
Investment Bank	2,389	2,242	3,990	2,415	2,965	4,389
Corporate Banking	402	311	460	191	204	(314)
Wealth and Investment Management	47	99	274	188	207	163
Head Office Functions and Other Operations ..	(157)	309	189	(136)	(1,010)	(692)
Total	3,591	4,339	7,599	5,482	5,590	5,707
Adjusting items	(1,914)	(3,468)	(6,802)	289	289	358
Statutory Group profit before tax	1,677	871	797	5,770	5,879	6,065

	For the six months ended 30 June		For the year ended 31 December			
	2013	2012	2012	2011	2011	2010
		(Restated)	(Restated)	(Restated)		
	(Unaudited)					
Income by Geographic Region	(£mn)					
UK	6,000	3,948	7,461	15,819	15,819	12,714
Europe	2,306	2,404	4,457	4,207	4,207	4,828
Americas	4,028	3,496	7,554	6,025	6,025	7,742
Africa and Middle East	2,116	2,336	4,472	4,967	4,967	4,997
Asia	707	590	1,065	1,274	1,274	1,159
Total	15,157	12,774	25,009	32,292	32,292	31,440

6. Acquisitions and Disposals

The principal investments effected by the Group in the period covered by the financial information incorporated by reference into this Prospectus are set out below.

Strategic combination of Barclays Africa with Absa

On 6 December 2012, Barclays entered into an agreement to combine the majority of its Africa operations (the “African Business”) with Absa. Under the terms of the combination, Absa acquired Barclays Africa Limited, the holding company of the African Business, for a consideration of 129,540,636 Absa ordinary shares (representing a value of approximately £1.3 billion for Barclays Africa Limited). The combination completed on 31 July 2013 and, on completion, Barclays’ stake in Absa increased from 55.5% to 62.3%. Absa was subsequently renamed Barclays Africa Group Limited but continues to trade under the name Absa.

Acquisition of ING Direct UK

On 9 October 2012, Barclays entered into an agreement to acquire the deposits, mortgages and business assets of ING Direct UK. Under the terms of the transaction, which completed on 5 March 2013, Barclays acquired, amongst other business assets, a deposit book with balances of approximately £11.6 billion and a mortgage book with outstanding balances of approximately £5.3 billion recognised by Barclays.

Disposal of stake in BlackRock

On 22 May 2012, Barclays entered into an agreement to dispose of Barclays’ entire holding in BlackRock pursuant to an underwritten public offer and a partial buy-back by BlackRock. On completion on 29 May 2012, Barclays received net proceeds of approximately US\$5.5 billion (£3.5 billion).

Acquisition of Egg's UK credit card assets

On 1 March 2011, Barclays entered into an agreement to acquire Egg's UK credit card assets. Under the terms of the transaction, Barclays purchased Egg's UK credit card accounts, consisting of approximately 1.15 million credit card accounts with approximately £2.3 billion of gross receivables (each estimated as at 31 January 2011 with gross receivables estimated under IFRS). The acquisition was completed on 28 April 2011.

Sale of HomEq Servicing

On 28 May 2010, Barclays announced that it had agreed to sell HomEq Servicing, its US mortgage servicing business, to Ocwen Loan Servicing, LLC, a subsidiary of Ocwen Financial Corporation, for a consideration of approximately US\$1.3 billion (subject to completion adjustments), payable in cash on completion. The sale was completed on 1 September 2010.

Acquisition of Standard Life Bank Plc

On 4 January 2010, Barclays announced that it had completed the acquisition of Standard Life Bank Plc, which was initially announced on 26 October 2009. As at 30 June 2009, Standard Life Bank Plc had total customer deposit balances of £5.5 billion and a total mortgage book of £8.8 billion.

7. Intellectual property

Barclays and other members of the Group are the owners of patent and trade mark applications and registrations and other intellectual property rights. Barclays Bank has trade mark registrations for (and applications for registration relating to) the "Barclays" name and logo and/or the Eagle logo (or variations thereof) in all the countries in which it has significant operations. In addition, Barclays Bank and other members of the Group have trade mark registrations for (or applications for registration relating to) other trademarks as well as patent registrations (or applications for registration) relevant to their products and/or business.

8. Competitive Environment

In all of its principal activities and geographic areas of operation, Barclays experiences competition from major international financial institutions (including retail and commercial banks, consumer finance companies and investment banks).

The banking market in the UK, the United States, the EU and many of the other jurisdictions in which the Group operates is characterised by continuing structural change. Such structural change together with increased regulatory intervention has also influenced the competitive environment in which Barclays operates. For example, in the UK, competition in recent years has come from a growing variety of sources, including merged banks, demutualised life insurers and building societies and diversified consumer services companies.

9. Risk Management

The Group operates a number of policies designed to manage the risks to which the Group is exposed. Further information on these policies and details of the Group's risk management strategy are set out in the sections of the documents set out below, which are incorporated by reference into this Prospectus:

- pages 134 to 166 ("*Risk Management*") of Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011, filed with the SEC on Form 6-K dated 6 September 2013; and
- pages 273 to 303 ("*Risk management*") of Barclays' Annual Report 2012, filed with the SEC on Form 20-F on 13 March 2013.

PART B: The Regulation of Barclays and the Group

The Group's operations, including its overseas offices, subsidiaries and associates, are subject to rules and regulations that are a condition for authorisation to conduct banking and financial services business. These apply to business operations and affect financial returns and include reserve and reporting requirements and prudential and conduct of business regulations. These are imposed by the relevant central banks and regulatory authorities that supervise the Group in the jurisdictions in which it operates. The requirements reflect global standards developed by, amongst others, the Financial Stability Board ("FSB"), the BCBS and the International Organisation of Securities Commissions. They also reflect requirements of, or are derived from, EU legislation.

Outside the UK, the Group has operations (and main regulators) located in continental Europe, in particular France, Germany, Spain, Switzerland, Portugal and Italy (local central banks and other regulatory authorities); Asia Pacific (various regulatory authorities including the Hong Kong Monetary Authority, the Financial Services Agency of Japan, the Australian Securities and Investments Commission, the Monetary Authority of Singapore, the China Banking Regulatory Commission and the Reserve Bank of India); Africa and the Middle East (various regulatory authorities including the South African Reserve Bank) and the United States (the Board of Governors of the Federal Reserve System ("FRB"), the SEC and the Commodity Futures Trading Commission ("CFTC")).

1. UK System of Supervision and Regulation

In the UK the regulation and supervision of the Group is divided between the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA"). In addition, the Financial Policy Committee ("FPC") of the Bank of England has significant influence on the prudential requirements that may be imposed on the banking system. Barclays Bank Plc is authorised by the PRA and the FCA to carry on a range of regulated activities within the UK and is subject to consolidated prudential supervision by the PRA.

The UK Banking Act 2009 (as amended, the "Banking Act") provides for a regime to allow the Bank of England (or, in certain circumstances, HM Treasury) to resolve failing banks in the UK, in consultation with the PRA and HM Treasury, as appropriate. Under the Banking Act, these authorities are given powers, including (a) the power to make share transfer orders pursuant to which all or some of the securities issued by a UK bank may be transferred to a commercial purchaser or the UK government; and (b) the power to transfer all or some of the property, rights and liabilities of a UK bank to a commercial purchaser or Bank of England entity. A share transfer order can extend to a wide range of securities including shares and bonds issued by a UK banking group (including the Group) and warrants for such shares and bonds.

The Banking Act also gives the Bank of England the power to override, vary or impose contractual obligations between a UK bank (such as Barclays Bank), its holding company (Barclays) and its group undertakings for reasonable consideration, in order to enable any transferee or successor bank to operate effectively. There is also power for HM Treasury to amend the law (excluding provisions made by or under the Banking Act) for the purpose of enabling it to use the regime powers effectively, potentially with retrospective effect. In addition, the Banking Act gives the Bank of England statutory responsibility for financial stability in the UK and for the oversight of payment systems.

The Financial Services Act 2012 ("FSA 2012") established the FPC, PRA and FCA and, among other things: (i) clarified responsibilities between HM Treasury and the Bank of England in the event of a financial crisis by giving the Chancellor of the Exchequer powers to direct the Bank of England where public funds are at risk and there is a serious threat to financial stability; (ii) established the objectives and accountabilities of the new regulatory bodies; (iv) amended the Threshold Conditions for authorisation; (v) gave the new bodies additional powers, including powers of direction over unregulated parent undertakings (such as Barclays) where this is necessary to ensure effective consolidated supervision of the group; and (vi) gave the FCA the power to make temporary product intervention rules for a maximum period of six months, if necessary without consultation. The FSA 2012 also gives the FCA the power to set rules in relation to the setting of benchmarks and creates a new criminal offence relating to the making of a false or misleading statement, or the creation of a false or misleading impression, in connection with the setting of a benchmark.

Banks, insurance companies and other financial institutions in the UK, such as Barclays, are subject to a single financial services compensation scheme (the Financial Services Compensation Scheme (the "Scheme")) which operates when an authorised firm is unable or is likely to be unable to meet claims made against it because of its financial circumstances. Different levels of compensation are available to eligible claimants depending upon the type of protected claim.

Recent UK Regulatory Developments

On 4 February 2013, the UK Government introduced the Financial Services (Banking Reform) Bill to the House of Commons. The Bill will give the UK authorities the powers to implement key recommendations of the Independent Commission on Banking by requiring, amongst other things: (i) the separation of the UK and EEA retail banking activities of UK banks in a legally distinct, operationally separate and economically independent entity (so called ring fencing); (ii) the increase of the loss-absorbing capacity of ring-fenced banks and UK headquartered global systemically important banks to levels higher than the Basel III guidelines and (iii) preference to deposits protected under the Financial Services Compensation Scheme if a bank enters insolvency. The Bill also establishes a reserve power for the PRA to enforce full separation of UK banks under certain circumstances. The Bill has completed its passage through the House of Commons and is currently before the House of Lords.

The Bill is primarily an enabling statute which provides HM Treasury with the requisite powers to implement the policy underlying the Bill through secondary legislation. On 8 March 2013, the UK Government published draft secondary legislation. The UK Government intends that both primary and secondary legislation will be in place by May 2015 and that UK banks will be required to be compliant by 1 January 2019.

On 19 June 2013 the Parliamentary Commission on Banking Standards (“PCBS”) published its final report on the UK Banking sector, which is expected to result in further changes to draft primary and secondary legislation. The PCBS report recommends, amongst other things: (i) a new “senior persons” regime for individuals in the banking sector to ensure full accountability for decisions made; (ii) reforms to the remuneration of senior management and other influential bank staff to better align risk and reward; and (iii) sanctions and enforcement, including a new criminal offence of reckless misconduct. The UK Government published its response to the PCBS report on 8 July 2013, in which it endorses the report’s principal findings and commits to implementing a number of its recommendations.

2. European Union Regulation and Regulatory Developments

The UK regulatory agenda is considerably shaped and influenced by directives and regulations emanating from the EU.

The EU also continues to develop its regulatory structure in response to the financial and Eurozone crises. At the December 2012 meeting of EU Finance Ministers, following the Euro Area Summit of 29 June, it was agreed to establish a single supervisory mechanism within the Eurozone. The ECB will have responsibility for the supervision of the most significant Eurozone credit institutions, financial holding companies or mixed financial holding companies. The ECB may extend its supervision to institutions of significant relevance that have established subsidiaries in more than one participating member state and with significant cross-border assets or liabilities. It is expected that the single supervisory mechanism will become operational in 2014.

The fourth Capital Requirements Directive and Regulation, referred to as “CRD IV”, were finalised and published in the Official Journal of the EU in June 2013. The Directive is required to be implemented into national law by EU Member States by 31 December 2013 and the Regulation will apply directly in EU Member States from 1 January 2014. CRD IV permits a transitional period for certain of the enhanced capital and leverage requirements with full compliance required by the end of 2018.

In August 2013, the PRA published a consultation paper (CP5/13, Strengthening capital standards: implementing CRD IV) which sets out proposed changes to the PRA rules in order to implement CRD IV in the UK. The final standards with which Barclays will have to comply will depend on the outcome of the PRA consultation and the content of final binding regulatory technical standards to be issued by the European Banking Authority (“EBA”).

The EBA, which came into being on 1 January 2011, along with the other European supervisory authorities, remains charged with the development of a single rulebook for the EU as a whole and with enhancing co-operation between national supervisory authorities. The European Securities Markets Authority (“ESMA”) has a similar role in relation to the capital markets and to banks and other firms doing investment and capital markets business. The EBA and ESMA each have the power to mediate between and override national authorities under certain circumstances. Responsibility for day-to-day supervision remains with national authorities and this is expected to remain the case in those countries that do not ultimately participate in the single supervisory mechanism.

On 2 October 2012 a high-level expert group chaired by Erkki Liikanen submitted a report (the “Liikanen Report”) to the European Commission (the “Commission”) on reform of the structure of the EU banking

sector. The Liikanen Report contains five key recommendations, including the mandatory separation of proprietary trading and other high-risk trading activities (subject to thresholds) from deposit taking banks. The Commission is considering the impact of the Liikanen Report's recommendations on growth and the safety and integrity of financial services in the EU, particularly in light of its current proposed legislative reforms, and will publish proposals on structural separation of banks in Q3 2013. Legislation is not expected to be finalised until 2015, at the earliest.

A significant addition to the EU legislative framework for financial institutions is the proposal for a Directive establishing a framework for the recovery and resolution of credit institutions and investment firms. This proposal is intended to implement many of the requirements of the FSB's "Key Attributes of Effective Resolution Regimes for Financial Institutions." The proposal would give resolution authorities extensive powers to "bail-in" liabilities (i.e. write down liabilities or convert them to equity) and firms would need a minimum percentage of liabilities in a form that allows them to be subject to "bail-in". The proposal also requires the development of recovery and resolution plans at group and firm-level. The proposal sets out a harmonised set of resolution tools across the EU, including the power to impose a temporary stay on the rights of creditors to terminate, accelerate or close out contracts. There are also significant funding implications for financial institutions: the proposal envisages the establishment of pre-funded resolution funds of 1% of covered deposits to be built up over 10 years, although the proposal also envisages that national deposit guarantee schemes may be able to fulfil this function. The proposal is currently going through the legislative process.

A proposal to amend the Directive on Deposit Guarantee Schemes is also being considered and is under debate. The proposal on Deposit Guarantee schemes also envisages that national schemes should be pre-funded, with a fund to be raised over a number of years.

The EMIR introduces new requirements to improve transparency and reduce the risks associated with the derivatives market. These requirements come into force progressively through 2013 and 2014. When it enters fully into force, EMIR will require entities that enter into any form of derivative contract, including interest rate, foreign exchange, equity, credit and commodity derivatives, to: report every derivative contract that they enter to a trade repository; implement new risk management standards (including operational processes and margining), for all bilateral over-the-counter derivatives trades that are not cleared by a central counterparty; and clear, through a central counterparty, over-the-counter derivatives that are subject to a mandatory clearing obligation.

Proposals to amend the Markets in Financial Instruments Directive continue to be debated. This will affect many of the investment markets in which the Group operates and the instruments in which it trades, and how it transacts with market counterparties and other customers.

3. United States Regulation

In the United States, the Company, Barclays Bank and Barclays US banking subsidiaries are subject to a comprehensive regulatory framework involving numerous statutes, rules and regulations, including the International Banking Act of 1978, the Bank Holding Company Act of 1956, as amended, the Foreign Bank Supervision Enhancement Act of 1991, the Financial Services Modernization Act of 1999, the USA PATRIOT Act of 2001 and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("DFA"). This framework regulates the activities of Barclays, including its US banking subsidiaries and the US branches of Barclays Bank, as well as imposing prudential restrictions, such as limits on extensions of credit by Barclays Bank's US branches and the US banking subsidiaries to a single borrower and to affiliates. The New York and Florida branches of Barclays Bank are subject to extensive federal and state supervision and regulation by the FRB and, as applicable, the New York State Department of Financial Services and the Florida Office of Financial Regulation. Barclays Bank Delaware, a Delaware chartered commercial bank, is subject to supervision and regulation by the Federal Deposit Insurance Corporation ("FDIC"), the Delaware State Bank Commissioner and the Consumer Financial Protection Bureau. The deposits of Barclays Bank Delaware are insured by the FDIC. Barclays Wealth Trustees (US) NA is an uninsured non-depository trust company chartered and supervised by the Office of the Comptroller of the Currency. The licensing authority of each US branch of Barclays Bank has the authority, in certain circumstances, to take possession of the business and property of Barclays Bank located in the state of the office it licenses or to revoke or suspend such licence. Such circumstances generally include violations of law, unsafe business practices and insolvency. The Company and Barclays Bank are bank holding companies registered with the FRB, which exercises umbrella authority over Barclays' US operations.

Barclays' US securities broker/dealer, investment advisory and investment banking operations are subject to ongoing supervision and regulation by the SEC, the Financial Industry Regulatory Authority ("FINRA")

and other government agencies and self-regulatory organisations (“SROs”) as part of a comprehensive scheme of regulation of all aspects of the securities and commodities business under the US federal and state securities laws. Similarly, Barclays’ US commodity futures and options-related operations are subject to ongoing supervision and regulation by the CFTC, the National Futures Association and other SROs.

Recent United States Regulatory Developments

The DFA became law in July 2010. The full scale of the DFA’s impact on the Group remains unclear because the rules required to implement many of the provisions of the DFA continue to be subject to rulemaking and will take effect over several years. In addition, market practices and structures may change in response to the requirements of the DFA in ways that are difficult to predict but that could impact Barclays’ business. Nonetheless, certain provisions of the DFA are particularly likely to have an effect on the Group, including:

- *Structural Reform:* In December 2012, the FRB issued proposed rules that, if adopted, would implement certain enhanced prudential standards and early remediation requirements in the DFA with respect to foreign banking organisations, such as Barclays, and other foreign financial companies designated as “systemically important”.

The specific requirements depend on the level of assets of the foreign banking organisation both inside and outside the United States and could significantly increase the regulatory costs to such organisations of operating in the United States, particularly in relation to non-bank operations. Based on its total US and non-US assets, Barclays would be subject to the most stringent requirements of the proposed rules: Barclays would be required to create a US intermediate holding company (“IHC”) structure to hold its US banking and non-banking subsidiaries, and the IHC would be subject to supervision and regulation by the FRB. While the operations and assets of Barclays Bank PLC’s US branches would not be required to be held in the IHC, the branches would be subject to separate requirements.

The IHC would be subject to a number of separate supervisory, prudential and early-remediation requirements, including (i) capital requirements and leverage limits; (ii) mandatory stress testing of capital levels by the FRB and submission of a capital plan to the FRB; (iii) limitations on capital distributions by the IHC to its parent company, unless such distributions are part of such a capital plan that has been submitted to and approved by the FRB; (iv) substantive liquidity requirements, including requirements to conduct monthly internal liquidity stress tests for the IHC and for Barclays Bank PLC’s US branch network, separately, and to maintain a 30-day buffer of highly liquid assets; (v) liquidity risk management requirements, including compliance with liquidity risk management standards established by the FRB and maintenance of an independent review function to review and evaluate regularly the adequacy and effectiveness of the liquidity risk management practices of Barclays’ combined US operations; (vi) overall risk management requirements, including creation of a US risk committee and the hiring of a US chief risk officer, and (vii) stringent concentration and credit exposure limits.

The proposals were subject to a public comment period and the FRB could modify its proposals prior to adopting them in final form. If adopted in their current form, the proposed rules have the potential to increase the absolute and regulatory costs of Barclays’ US operations significantly.

- *Other enhanced prudential requirements:* In addition to the requirements that would be implemented under the above proposals, and separate and apart from Basel III, the DFA also imposes higher capital, liquidity and leverage requirements on US banks and bank holding companies generally.
- *Restrictions on proprietary trading and fund-related activities:* The so-called “Volcker Rule” will, once effective, significantly restrict the ability of US bank holding companies and their affiliates, and the US branches of foreign banks, to conduct proprietary trading in securities and derivatives as well as certain activities related to hedge funds and private equity funds. In October 2011, US regulators proposed rules to implement the Volcker Rule. Those rules have not yet been finalised. Analysis continues of the proposals, but it is clear that compliance with them could entail significant additional costs for the Group. While the statutory Volcker Rule provisions officially took effect in July 2012, Barclays has until the end of the conformance period, currently set for July 2014 (subject to possible extensions), in order to conform its activities to the requirements of the rule.
- *Regulation of derivative markets:* Among the changes mandated by the DFA are that many types of derivatives now traded in the over-the-counter markets be traded on an exchange or swap execution

facility and centrally cleared through a regulated clearing house. In addition, participants in these markets are now made subject to CFTC and SEC regulation and oversight. Entities required to register with the CFTC as “swap dealers” or “major swap participants” and/or with the SEC as “security-based swap dealers” or “major security-based swap dealers” are or will be subject to business conduct, capital, margin, recordkeeping and reporting requirements. Barclays Bank has provisionally registered with the CFTC as a swap dealer. It is possible that other additional regulations (many of which still are not final), and the related expenses and requirements, will increase the cost of and restrict participation in the derivative markets, thereby increasing the costs of engaging in hedging or other transactions and reducing liquidity and the use of the derivative markets.

4. South African Regulation

The Group’s operations in South Africa, including Barclays Africa Group Limited (previously Absa Group Limited), are supervised and regulated by the South African Reserve Bank (“SARB”) and the Financial Services Board (“FSB”) as well as the Department of Trade and Industry (“DTI”). SARB oversees the banking industry and follows a risk-based approach to supervision whilst the FSB oversees financial services and focuses on enhancing consumer protection and regulating market conduct. The DTI regulates consumer credit through the National Credit Act No 34 of 2005, as well as other aspects of consumer protection not regulated under the jurisdiction of the FSB through the Consumer Protection Act No 68 of 2008. It is intended that the regulatory responsibilities in South Africa will in future be divided between the SARB which will be responsible for prudential regulation and the FSB which will be responsible for matters of market conduct. The precise timing for the move to “twin peaks” regulation remains to be determined.

5. Other Recent Regulatory Developments

The regulatory change generated by the financial crisis is having, and the Group expects it to continue to have, a substantial impact on all financial institutions, including those in the Group. The FSB has been designated by the Group of Twenty Finance Ministers and Central Bank Governors (“G20”) as the body responsible for co-ordinating the delivery of the global reform programme. It has focused particularly on the risks posed by systemically important financial institutions.

In 2011, G20 heads of government adopted FSB proposals to reform the regulation of globally systemically important financial institutions (“G-SIFIs”). A key element of this programme is that G-SIFIs should be capable of being resolved without recourse to taxpayer support. Barclays has been designated a globally systemically important bank (“G-SIB”) by the FSB. G-SIBs will be subject to requirements to have additional loss absorption capacity above that required by Basel III standards. This loss absorption will take the form of a prescribed surcharge. G-SIBs will be categorised into four groups or “buckets” with each group required to pay a different level of surcharge (1% to 2.5% of risk weighted assets). This additional buffer (regardless of the bucket allocated) must be met with common equity tier 1 capital. In its November 2012 list of G-SIFIs, the FSB placed Barclays in a bucket that would require it to meet a 2% surcharge. The surcharge will be phased in starting in January 2016, with full implementation by January 2019. G-SIBs must also meet the higher supervisory expectations for data aggregation capabilities by January 2016.

In October 2012, the FSB and BCBS finalised a principles based framework for domestic systemically important banks (“D-SIBs”). National authorities will begin to apply requirements to banks identified as D-SIBs from January 2016 in line with the phase in arrangements for G-SIBs. The surcharges implemented by national authorities could exceed those set for G-SIBs. It is very likely that members of the Group will be classified as D-SIBs. The FSB continues to pursue a number of work streams that will affect the Group, its counterparties and the markets in which it operates. These include policy work on shadow banking and on enhanced disclosures.

PART IV
FINANCIAL INFORMATION ON BARCLAYS

Historical financial information

The following documents, which are available as described in Part IX “*Information Incorporated by Reference*”, contain historical financial information which is required to be included in this Prospectus pursuant to the Prospectus Rules:

- Barclays’ Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the FCA on 30 July 2013 (“**Barclays’ UK Interim Results Announcement 2013**”);
- Barclays’ restated audited financial statements for the years ended 31 December 2012, 2011 and 2010 and filed with the SEC on Form 6-K on 6 September 2013; and
- Barclays’ Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012 (which includes Barclays’ audited financial statements for the years ended 31 December 2011 and 2010).

Information incorporated by reference

The table below sets out the various sections of the documents referred to above which are incorporated by reference into this Prospectus so as to provide certain information required pursuant to the Prospectus Rules.

For the six month periods ended 30 June 2013 and 30 June 2012 (restated)

<u>Information incorporated by reference into this Prospectus</u>	<u>Reference document</u>	<u>Page number in reference document</u>
Condensed Consolidated Income Statement	Barclays’ UK Interim Results Announcement 2013	11
Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income	Barclays’ UK Interim Results Announcement 2013	12
Condensed Consolidated Balance Sheet	Barclays’ UK Interim Results Announcement 2013	13
Condensed Consolidated Statement of Changes In Equity	Barclays’ UK Interim Results Announcement 2013	14
Condensed Consolidated Cash Flow Statement	Barclays’ UK Interim Results Announcement 2013	15
Independent Auditors’ Review Report	Barclays’ UK Interim Results Announcement 2013	96
Financial Statement Notes	Barclays’ UK Interim Results Announcement 2013	97 - 130

For the year ended 31 December 2012 (restated)

<u>Information incorporated by reference into this Prospectus</u>	<u>Reference document</u>	<u>Page number in reference document</u>
Independent Registered Public Accounting Firm’s report	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	8
Consolidated Income Statement	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	9
Consolidated Statement of Comprehensive Income	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	10
Consolidated Balance Sheet	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	11
Consolidated Statement of Changes in Equity	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	12 - 13
Consolidated Cash Flow Statement	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	14
Notes to the Financial Statements	Barclays’ restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	18 - 100

For the year ended 31 December 2011 (restated)

<u>Information incorporated by reference into this Prospectus</u>	<u>Reference document</u>	<u>Page number in reference document</u>
Independent Registered Public Accounting Firm's report . . .	Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	8
Consolidated Income Statement	Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	9
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Notes to the Financial Statements	Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	18 - 100

For the year ended 31 December 2011

<u>Information incorporated by reference into this Prospectus</u>	<u>Reference document</u>	<u>Page number in reference document</u>
Independent Registered Public Accounting Firm's report	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	168
Consolidated Income Statement	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	169
Consolidated Statement of Comprehensive Income	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	170
Consolidated Balance Sheet	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	171
Consolidated Statement of Changes in Equity	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	172
Consolidated Cash Flow Statement	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	173
Notes to the Financial Statements	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	176 to 246

For the year ended 31 December 2010

<u>Information incorporated by reference into this Prospectus</u>	<u>Reference document</u>	<u>Page number in reference document</u>
Independent Registered Public Accounting Firm's report	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	168
Consolidated Income Statement	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	169
Consolidated Statement of Comprehensive Income	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	170
Consolidated Balance Sheet	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	171
Consolidated Statement of Changes in Equity	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	172
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Notes to the Financial Statements	Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	176 to 246

PART V

OPERATING AND FINANCIAL REVIEW OF BARCLAYS

The following discussion and analysis should be read in conjunction with the financial information on Barclays referred to in Part IV “Financial Information on Barclays” of this Prospectus which has been incorporated by reference into this Prospectus. The financial information included or incorporated by reference into this Part V has been extracted without material adjustment from the financial information referred to in Part IV “Financial Information on Barclays” of this Prospectus (which has been incorporated by reference into this Prospectus) or has been extracted without material adjustment from Barclays’ accounting records which formed the underlying basis of the financial information referred to in Part IV “Financial Information on Barclays” (which has been incorporated by reference into this Prospectus). For a description of Barclays’ financial information, see “Important Information — Presentation of financial information” of this Prospectus.

Some of the information contained in this Part V contains certain forward looking statements that reflect the Group’s plans, estimates and belief and that may involve risks and uncertainties. The Group’s actual results may also differ materially from those discussed in these forward looking statements. Factors that could cause or contribute to such risks, uncertainties and/or differences include, but are not limited to, those discussed below and elsewhere in this prospectus, including under “Risk factors” and “Important Information — Forward-looking statements”.

1. Impact of Restatement of Financial Information

On 16 April 2013, the Company published a “Group Reporting Changes” document that detailed the impact of implementing IFRS 10 Consolidated Financial Statements and IAS 19 Employee Benefits (Revised 2011). It also outlined the impact to the Group’s segmental results of the allocation of elements of the Head Office results to businesses and portfolio restatements between businesses. Changes were effective from 1 January 2013.

The restatement did not significantly change the Group’s financial operating trends in aggregate, or within any individual business, save for Head Office where the majority of operating expenses were allocated out to other businesses.

On 6 September 2013, the Company filed with the SEC on Form 6-K restated audited consolidated historical financial information for the years ended 31 December 2010, 2011 and 2012, reflecting these changes on the Company’s consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for the years ended 31 December 2010, 2011 and 2012 and the Company’s consolidated balance sheets as at 31 December 2011 and 2012 and the associated notes relating thereto, together with an independent registered public accounting firm’s report in respect thereof. References in this Prospectus to historical financial information which is presented on a “restated” basis is to historical financial information as filed with the SEC on such Form 6-K.

2. Results of operations

The table below sets out sections from Barclays' Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013, US Interim Results Announcement 2013 filed with the SEC on Form 6-K on 30 July 2013 which contain information in respect of Barclays' operating and financial review incorporated by reference into, and forming part of, this Prospectus.

Reference Document	Information incorporated by reference into this Prospectus	Page number in reference document
Barclays' US Interim Results Announcement 2013 filed with the SEC on Form 6-K on 30 July 2013	Group Performance Review — Income Statement	5
	Group Performance Review — Balance Sheet	6
	Group Performance Review — Capital Management	6
	Group Performance Review — Funding and Liquidity	7
	Results by Business	15 - 32
	Performance Management	37 - 43
	Risk Management	44 - 45
	Funding Risk	46 - 62
	Credit Risk	63 - 93
	Market Risk	94
Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013	Risk review — Credit risk	80 - 118
	Risk review — Market risk	119 - 125
	Risk review — Funding risk — Capital	126 - 135
	Risk review — Funding risk — Liquidity	136 - 150
	Financial review — Income statement commentary	167
	Financial review — Balance sheet commentary	169 - 170
	Financial review — Analysis of results by business	171 - 188

See Part IX "Information Incorporated by Reference" of this Prospectus for further details about information that has been incorporated by reference into this Prospectus.

There has been no significant change to the liquidity and capital resources position of the Group since 30 June 2013, the date to which the above information incorporated by reference in relation to liquidity and capital resources of the Group has been prepared.

3. Cash Flow Analysis

The following table shows the cash flow analysis of the Group for the years ended 31 December 2010, 2011 and 2012, together with the six month periods ended 30 June 2012 and 2013.

	Six months ended 30 June		Year end 31 December			
	2013	2012	2012	2011	2011	2010
	<i>(Restated)</i>		<i>(Restated)</i>	<i>(Restated)</i>		
	<i>(Unaudited)</i>					
	<i>(£mn)</i>			<i>(£mn)</i>		
Net cash from operating activities	10,868	31,086	(13,667)	29,079	29,079	18,686
Net cash from investing activities	(16,628)	(2,150)	(7,157)	(1,912)	(1,912)	(5,627)
Net cash from financing activities	(1,212)	(3,861)	(2,842)	(5,961)	(5,961)	159
Effect of exchange rates on cash and cash equivalents ...	3,323	(2,428)	(4,111)	(2,933)	(2,933)	3,842
Net increase/(decrease) in cash and cash equivalents ...	(3,649)	22,647	(27,777)	18,273	18,273	17,060
Cash and cash equivalents at the beginning of the period	121,896	149,673	149,673	131,400	131,400	114,340
Cash and cash equivalents at the end of the period	<u>118,247</u>	<u>172,320</u>	<u>121,896</u>	<u>149,673</u>	<u>149,673</u>	<u>131,400</u>

Net cash from operating activities is derived primarily from the principal revenue generating activities of the Group, such as net interest income received and operating costs paid. Cash flows from operating activities include the effect of deposits by customers, debt securities issued, financial investments, repurchase agreements and loan and advances.

Barclays uses the indirect method to present the cash flow statement and therefore the effects of non-cash items are removed to arrive at the cash flow from operations.

Net cash from investing activities represent the extent to which expenditures have been made for resources intended to generate future income and cash flows, such as through the purchase of available for sale investments, property, plant and equipment and the acquisition of subsidiaries.

Financing activities show the cash flows associated with the raising and repayment of finance and other flows associated with the financing of the Group's operations, such as the cash proceeds of share or debt issuances, and cash paid in dividends to equity shareholders.

Exchange gain or loss on cash and cash equivalents shows the translation differences arising on the net foreign currency cash flows included in the cash flow statement, which are translated at the rates ruling on the dates of the transactions, and the rate ruling at the period end.

Cash and cash equivalents comprise cash on hand deposits and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. Repurchase and reverse repurchase agreements are not considered to be part of cash equivalents.

Net cash flows used in operating activities for the year ended 31 December 2012 amounted to £13,667 million. The net cash flows generated by operating activities for the year ended 31 December 2011 amounted to £29,079 million. The net cash flows generated by operating activities for the year ended 31 December 2010 amounted to £18,686 million. The 31 December 2012 decrease in cash generated (a net cash used position) was materially due to an increase in reverse repurchase lending. The 31 December 2011 increase in cash generated was materially due to a decrease in reverse repurchase agreements and other similar lending.

The net cash flows generated by operating activities for the six months ended 30 June 2013 amounted to £10,868 million. The net cash flows from operating activities for the six months ended 30 June 2012 amounted to £31,086 million. The 30 June 2013 decrease in cash generated was materially due to an increase in loans and advances to banks and customers and an increase in reverse repurchase agreements and similar lending.

Net cash flows used in investing activities for the year ended 31 December 2012 increased by 274% to £7,157 million from £1,912 million in the same period in 2011, which in turn represented a decrease of 66% from £5,627 million in 2010. The 31 December 2012 increase in net cash used was due to cash outflows from the purchase of available for sale investments. The 31 December 2011 decrease in net cash used was due to lower cash outflows as proceeds from available for sale disposals offset purchases to a greater extent than in the same period in 2010.

Net cash flows used in investing activities for the six months ended 30 June 2013 increased by 673% to £16,628 million from £2,150 million in the same period in 2012. The 30 June 2013 increase in net cash used was due to cash outflows from the purchase of available for sale investments and a reduction in the proceeds from available for sale investments.

Net cash used in financing activities for the year ended 31 December 2012 decreased by 52% to £2,842 million from £5,961 million in 2011, whereas net cash flows from financing activities in 2010 were £159 million. The 31 December 2012 decrease in net cash used was due to higher proceeds from borrowings and lower repayments of subordinated debt borrowings. The 31 December 2011 increase in net cash used was due to higher subordinated debt repayments and the redemption of shares. Net cash used in financing activities for the six months ended 30 June 2013 decreased by 69% to £1,212 million compared with £3,861 million for the same period in 2012. The 30 June 2013 decrease was due to a net issue of shares and other equity instruments and lower repayments on subordinated debt than in the same period in 2012.

4. Commitments

At 31 December 2012, the commitments amounted to £247,816 million (2011: £240,282 million) and at 30 June 2013, the commitments amounted to £260,970 million (30 June 2012: £245,853 million).

5. Capitalisation and Indebtedness of the Group

The following tables show the capitalisation of the Group as at 30 June 2013 and the indebtedness of the Group as at 31 July 2013.

5.1 The following figures have been extracted from the Group's unaudited interim financial information as at and for the period ended 30 June 2013.

<u>Capitalisation</u>	<u>As at 30 June 2013</u>
	<i>£mn</i>
Shareholders' Equity	
Share Capital — Allotted, called up and fully paid	3,217
Share Premium	10,771
Other reserves	1,011
Shareholders' equity⁽¹⁾	<u>14,999</u>

(1) Excludes retained earnings, available for sale reserve, cash flow hedge reserve, pension reserve, treasury shares reserve and currency translation reserve.

There has been no material change in the capitalisation of the Group since 30 June 2013.

5.2 The following figures as at 31 July 2013 have been extracted from the Group's accounting records and are unaudited.

<u>Indebtedness</u>	As at 31 July 2013
	<i>£mn</i>
Issued debt securities	105,100
Subordinated Liabilities	
— Undated loan capital ⁽¹⁾	6,442
— Dated loan capital ⁽²⁾	16,455
Total Subordinated liabilities	<u>22,897</u>
Total indebtedness	<u>127,997</u>
	As at 31 July 2013
	<i>£mn</i>
<u>Indirect and contingent indebtedness</u>	
Acceptances and endorsements	694
Guarantees and assets pledged as collateral security	17,314
Other contingent liabilities	5,243
Total indirect and contingent indebtedness	<u>23,251</u>

Notes:

Note 1

<u>Undated subordinated liabilities</u>	<u>Initial call date</u>	<u>£mn</u>
Tier One Notes ("TONs")		
6% Callable Perpetual Core Tier One Notes	2032	110
6.86% Callable Perpetual Core Tier One Notes (US\$681mn)	2032	684
Reserve Capital Instruments ("RCIs")		
5.926% Step-up Callable Perpetual Reserve Capital Instruments (US\$533mn)	2016	408
7.434% Step-up Callable Perpetual Reserve Capital Instruments (US\$347mn)	2017	269
6.3688% Step-up Callable Perpetual Reserve Capital Instruments	2019	119
14% Step-up Callable Perpetual Reserve Capital Instruments	2019	3,045
5.3304% Step-up Callable Perpetual Reserve Capital Instruments	2036	111
Undated Notes		
6.875% Undated Subordinated Notes	2015	153
6.375% Undated Subordinated Notes	2017	146
7.7% Undated Subordinated Notes (US\$99mn)	2018	74
8.25% Undated Subordinated Notes	2018	164
7.125% Undated Subordinated Notes	2020	213
6.125% Undated Subordinated Notes	2027	221
Junior Undated Floating Rate Notes (US\$109mn)	Any interest payment date	72
Undated Floating Rate Primary Capital Notes Series 3	Any interest payment date	145
Bonds		
9.25% Perpetual Subordinated Bonds (ex-Woolwich PLC)	2021	98
9% Permanent Interest Bearing Capital Bonds	At any time	46
Loans		
5.03% Reverse Dual Currency Undated Subordinated Loan (Yen 8,000mn)	2028	44
5% Reverse Dual Currency Undated Subordinated Loan (Yen 12,000mn)	2028	68
Barclays SLCSM Funding B.V. guaranteed by Barclays Bank		
6.140% Fixed Rate Guaranteed Perpetual Subordinated Notes	2015	252
Total undated subordinated debt		<u>6,442</u>

Undated loan capital

Undated loan capital is issued by Barclays Bank and its subsidiaries for the development and expansion of their business and to strengthen their capital bases. The principal terms of the undated loan capital are described below:

Subordination

All undated loan capital ranks behind the claims against the bank of depositors and other unsecured unsubordinated creditors and holders of dated loan capital in the following order: Junior Undated Floating Rate Notes; other issues of Undated Notes, Bonds and Loans ranking *pari passu* with each other; followed by TONs and RCIs-ranking *pari passu* with each other.

Interest

All undated loan capital bears a fixed rate of interest until the initial call date, with the exception of the 9% Bonds which are fixed for the life of the issue, and the Junior and Series 3 Undated Notes which are floating rate.

After the initial call date, in the event that they are not redeemed, the 6.875%, 6.375%, 7.125%, 6.125% Undated Notes, the 9.25% Bonds and the 6.140% Perpetual Notes will bear interest at rates fixed periodically in advance for five year periods based on market rates. All other undated loan capital except the two floating rate Undated Notes will bear interest, and the two floating rate Undated Notes currently bear interest, at rates fixed periodically in advance based on London interbank rates.

Payment of interest

Barclays Bank is not obliged to make a payment of interest on its Undated Notes, Bonds and Loans excluding the 7.7% Undated Notes, 8.25% Undated Notes, 9.25% Bonds and 6.140% Perpetual Notes if, in the preceding six months, a dividend has not been declared or paid on any class of shares of Barclays or, in certain cases, any class of preference shares of Barclays Bank. Barclays Bank is not obliged to make a payment of interest on its 9.25% Perpetual Subordinated Bonds if, in the immediately preceding 12 months' interest period, a dividend has not been paid on any class of its share capital. Interest not so paid becomes payable in each case if such a dividend is subsequently paid or in certain other circumstances. During the year, Barclays Bank declared and paid dividends on its ordinary shares and on all classes of preference shares.

No payment of principal or any interest may be made unless Barclays Bank satisfies a specified solvency test.

Barclays Bank may elect to defer any payment of interest on the 7.7% Undated Notes and 8.25% Undated Notes. Until such time as any deferred interest has been paid in full, neither Barclays Bank nor Barclays may declare or pay a dividend, subject to certain exceptions, on any of its ordinary shares, preference shares, or other share capital or satisfy any payments of interest or coupons on certain other junior obligations.

Barclays and Barclays Bank may elect to defer any payment of interest on the 6.140% Perpetual Notes. However, any deferred interest will automatically become immediately due and payable on the earlier of: (i) the date on which any dividend or other distribution or interest or other payment is made in respect of any *pari passu* or any junior obligations or on which any *pari passu* or any junior obligations are purchased, (ii) the date of redemption or purchase of the 6.140% Perpetual Notes and (iii) certain other events including bankruptcy, liquidation or winding up of Barclays or Barclays Bank.

Barclays Bank may elect to defer any payment of interest on the RCIs. Any such deferred payment of interest must be paid on the earlier of: (i) the date of redemption of the RCIs, (ii) the coupon payment date falling on or nearest to the tenth anniversary of the date of deferral of such payment, and (iii) in respect of the 14% RCIs only, substitution. Whilst such deferral is continuing, neither Barclays Bank nor Barclays may declare or pay a dividend, subject to certain exceptions, on any of its ordinary shares or preference shares.

Barclays Bank may elect to defer any payment of interest on the TONs if it determines that it is, or such payment would result in it being, in non-compliance with capital adequacy requirements and policies of the PRA. Any such deferred payment of interest will only be payable on a redemption of the TONs. Until such time as Barclays Bank next makes a payment of interest on the TONs, neither

Barclays Bank nor Barclays may (i) declare or pay a dividend, subject to certain exceptions, on any of their respective ordinary shares or Preference Shares, or make payments of interest in respect of Barclays Bank's Reserve Capital Instruments and (ii) certain restrictions on the redemption, purchase or reduction of their respective share capital and certain other securities also apply.

Repayment

All undated loan capital is repayable, at the option of Barclays Bank generally in whole at the initial call date and on any subsequent coupon or interest payment date or in the case of the 6.875%, 6.375%, 7.125%, 6.125% Undated Notes, the 9.25% Bonds and the 6.140% Perpetual Notes on any fifth anniversary after the initial call date. In addition, each issue of undated loan capital is repayable, at the option of Barclays Bank, in whole for certain tax reasons, either at any time, or on an interest payment date. There are no events of default except non-payment of principal or mandatory interest. Any repayments require the prior notification to the PRA.

Other

All issues of undated loan capital have been made in the Euro currency market and/or under Rule 144A, and no issues have been registered under the US Securities Act of 1933. All issues of undated subordinated liabilities are non-convertible.

Note 2

<u>Dated Subordinated Liabilities</u>	<u>Initial call date</u>	<u>Maturity date</u>	<u>£mn</u>
Barclays Bank PLC issued			
5.015% Subordinated Notes (US\$150mn)		2013	101
Callable Fixed/Floating Rate Subordinated Notes (€1,000mn) ...	2014	2019	898
4.38% Fixed Rate Subordinated Notes (US\$75mn)		2015	54
4.75% Fixed Rate Subordinated Notes (US\$150mn)		2015	108
5.14% Lower Tier 2 Notes (US\$1,094mn)	2015	2020	776
6.05% Fixed Rate Subordinated Notes (US\$1,556mn)		2017	1,185
Floating Rate Subordinated Notes (€40mn)		2018	35
6% Fixed Rate Subordinated Notes (€1,750mn)		2018	1,591
CMS-Linked Subordinated Notes (€100mn)		2018	90
CMS-Linked Subordinated Notes (€135mn)		2018	120
7.75% Fixed to Fixed Rate Contingent Capital Notes (US\$1,000mn)	2018	2023	657
Fixed/Floating Rate Subordinated Callable Notes	2018	2023	576
Floating Rate Subordinated Notes (€50mn)		2019	43
6% Fixed Rate Subordinated Notes (€1,500mn)		2021	1,409
9.5% Subordinated Bonds (ex-Woolwich plc)		2021	331
Subordinated Floating Rate Notes (€100mn)		2021	86
10% Fixed Rate Subordinated Notes		2021	2,276
10.179% Fixed Rate Subordinated Notes (US\$1,521mn)		2021	1,106
Subordinated Floating Rate Notes (€50mn)		2022	44
6.625% Fixed Rate Subordinated Notes (€1,000mn)		2022	985
7.625% Contingent Capital Notes (US\$3,000mn)		2022	1,817
Subordinated Floating Rate Notes (€50mn)		2023	44
5.75% Fixed Rate Subordinated Notes		2026	790
5.4% Reverse Dual Currency Subordinated Loan (Yen 15,000mn)		2027	85
6.33% Subordinated Notes		2032	60
Subordinated Floating Rate Notes (€100mn)		2040	87
Absa Bank Limited issued			
8.8% Subordinated Fixed Rate Callable Notes (ZAR 1,725mn)	2014	2019	119
6.00% CPI-linked Subordinated Callable Notes (ZAR 3,758mn) ...	2014	2019	261
8.1% Subordinated Callable Notes (ZAR 2,000mn)	2015	2020	141
10.28% Subordinated Callable Notes (ZAR 600mn)	2017	2022	41
Subordinated Callable Notes (ZAR 400mn)	2017	2022	27
Subordinated Callable Notes (ZAR 1,805mn)	2017	2022	122
Subordinated Callable Notes (ZAR 2,007mn)	2018	2023	136
Subordinated Callable Notes (ZAR 1,188mn)	2018	2023	80
5.5% CPI-linked Subordinated Callable Notes (ZAR 1,500mn)	2023	2028	123
Other capital issued by Barclays Botswana, Kenya and Zambia			
		2014-2018	<u>51</u>
Total dated subordinated liabilities			<u><u>16,455</u></u>

Dated loan capital

Dated loan capital is issued by Barclays Bank and respective subsidiaries for the development and expansion of their business and to strengthen their respective capital bases. The principal terms of the dated loan capital are described below:

Subordination

All dated loan capital ranks behind the claims against the bank of depositors and other unsecured unsubordinated creditors but before the claims of the undated loan capital and the holders of their equity. The dated loan capital issued by subsidiaries, are similarly subordinated.

Interest

Interest on the Floating Rate Notes are fixed periodically in advance, based on the related interbank or local central bank rates.

All other Non-Convertible Notes are generally fixed interest for the life of the issue, but some are reset to a floating rate after a fixed period, with varying interest rate terms.

Repayment

Those Notes with a call date are repayable at the option of the issuer, on conditions governing the respective debt obligations, some in whole or in part, and some only in whole. The remaining dated loan capital outstanding at 31 July 2013 is redeemable only on maturity, subject in particular cases, to provisions allowing an early redemption in the event of certain changes in tax law or, to certain changes in legislation or regulations.

Any repayments prior to maturity require, in the case of Barclays Bank, the prior notification to the PRA, or in the case of the overseas issues, the approval of the local regulator for that jurisdiction.

There are no committed facilities in existence at the balance sheet date which permit the refinancing of debt beyond the date of maturity.

The other capital issued by Barclays Kenya, Botswana and Zambia includes amounts of £15m issued by Barclays Botswana that are convertible. These are repayable at the option of the issuer, prior to maturity, on conditions governing the respective debt obligations, some in whole or in part and some only in whole.

Other

The 7.625% Contingent Capital Notes will be automatically transferred from investors to Barclays (or another entity within the Group) for nil consideration and the 7.75% Fixed to Fixed Rate Contingent Capital Notes will be automatically written down to zero and cancelled should the Core Tier 1 or Common Equity Tier 1 capital of the Group (as relevant at the time) fall below 7.0% on certain dates as specified in the respective terms.

The 5.14% Lower Tier 2 Notes, the 7.625% Contingent Capital Notes and the 7.75% Fixed to Fixed Rate Contingent Capital Notes were registered under the US Securities Act of 1933. All other issues of dated loan capital have been made in the Euro currency market, local markets and/or under Rule 144A.

PART VI

UNAUDITED PRO FORMA FINANCIAL INFORMATION ON BARCLAYS

The unaudited pro forma financial information of the Group as at 30 June 2013 and the notes thereto set out in this Part VI (together, the “pro forma financial information”) are based on the unaudited financial information of the Group as at 30 June 2013 prepared under IFRS after applying the adjustments described in the notes set out below. The unaudited pro forma financial information has been prepared to show the effects of the receipt of the net proceeds on Barclays’ assets and liabilities, and certain capital ratios of the Group, as if the net proceeds had been received on 30 June 2013. The unaudited proforma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Group’s actual financial position or results. The unaudited pro forma financial information has been prepared on the basis set out in the notes below and in accordance with Annex II of the PD Regulation.

Unaudited pro forma financial information as at 30 June 2013

	Barclays PLC ⁽¹⁾ (Unaudited)	Adjustments Rights Issue ⁽²⁾ (£mn)	Pro forma
Assets			
Cash and balances at central banks	72,720	5,823	78,543
Items in the course of collection from other banks	2,578	—	2,578
Trading portfolio assets	151,981	—	151,981
Financial assets designated at fair value	46,847	—	46,847
Derivative financial instruments	403,072	—	403,072
Loans and advances to banks	46,451	—	46,451
Loans and advances to customers	470,062	—	470,062
Reverse repurchase agreements and other similar secured lending	222,881	—	222,881
Available for sale investments	91,707	—	91,707
Current and deferred tax assets	4,697	—	4,697
Prepayments, accrued income and other assets	5,579	—	5,579
Investments in associates and joint ventures	591	—	591
Goodwill and intangible assets	7,849	—	7,849
Property, plant and equipment	5,618	—	5,618
Retirement benefit assets	100	—	100
Total Assets	<u>1,532,733</u>	<u>5,823</u>	<u>1,538,556</u>
Liabilities			
Deposits from banks	78,330	—	78,330
Items in the course of collection due to other banks	1,542	—	1,542
Customer accounts	460,264	—	460,264
Repurchase agreements and other similar secured borrowing	259,539	—	259,539
Trading portfolio liabilities	59,360	—	59,360
Financial liabilities designated at fair value	71,274	—	71,274
Derivative financial instruments	396,125	—	396,125
Debt securities in issue	102,946	—	102,946
Accruals, deferred income and other liabilities	13,738	—	13,738
Current and deferred tax liabilities	982	—	982
Subordinated liabilities	22,641	—	22,641
Provisions	4,425	—	4,425
Retirement benefit liabilities	1,430	—	1,430
Total Liabilities	<u>1,472,596</u>	<u>—</u>	<u>1,472,596</u>
Total Net Assets	<u>60,137</u>	<u>5,823</u>	<u>65,960</u>
Key Capital and Leverage Measures⁽³⁾			
Risk Weighted Assets (Basel 2.5)	387,230	—	387,230
Core Tier 1 Capital (FSA 2009)	42,943	5,823	48,766
Core Tier 1 Capital Ratio (FSA 2009/Basel 2.5)	11.1%		12.6%
Risk Weighted Assets (CRD IV)	471,462	—	471,462
Fully loaded CET 1 capital	38,059	5,823	43,882
Fully loaded CET 1 capital Ratio	8.1%		9.3%
CRD IV Leverage Exposure	1,559,000	5,823	1,564,823
Fully Loaded Tier 1 Capital	38,263	5,823	44,086
CRD IV Leverage Ratio	2.5%		2.8%

Notes:

1. Basis of Preparation

The financial information has been extracted without material adjustment from the Company's unaudited condensed consolidated historical financial information for the six month period ended 30 June 2013.

No account has been taken of the trading activity or other transactions of the Group which have occurred since 30 June 2013.

2. Rights Issue Adjustment

The adjustment of £5.823 billion comprises the gross proceeds of the 1 for 4 Rights Issue of 3,219,067,868 New Ordinary Shares at 185 pence per New Ordinary Share (£5.955 billion) less expenses expected to be incurred in connection with the Rights Issue of £0.132 billion (inclusive of VAT).

The net proceeds of £5.823 billion are included in the adjustment for the purposes of CET 1 capital and Tier 1 Capital. Further, the net proceeds are also included in the CRD IV Leverage Exposure due to the increased amount of cash included on the balance sheet.

3. Key Capital and Leverage Measures

The key balance sheet measures include unaudited pro forma regulatory capital ratios of the Group before and immediately after the Rights Issue as if it had occurred on 30 June 2013. The 30 June 2013 historical unadjusted amounts and ratios have been extracted from the Company's unaudited condensed consolidated historical financial information for the six month period ended 30 June 2013.

For the purpose of calculating risk weighted assets, the information presented assumes proceeds of the Rights Issue are held at a 0% risk weight.

Barclays has estimated the fully loaded CET 1 capital and the CET 1 capital ratio, CRD IV Leverage Ratio, CRD IV Leverage Exposure and Risk Weighted Assets based on the final CRD IV text assuming the rules applied at 30 June 2013 without transitional benefits. The final impact of CRD IV is dependent on technical standards to be finalised by the European Banking Authority and on the final UK implementation of the rules. Barclays' interpretation of CRD IV and the basis of calculation of CRD IV measures may be different from those of other institutions.

4. Other Notes

The estimated fully loaded CET 1 capital ratio and the estimated CRD IV Leverage Ratio in the table above exclude the impact of certain PRA adjustments which need to be applied when comparing the ratios to the PRA target ratios of 7.0% for the fully loaded CET 1 ratio and 3.0% for the PRA Leverage Ratio. At June 2013, these adjustments amounted to a £24.7 billion increase in Risk Weighted Assets in the case of the PRA adjusted fully loaded CET 1 capital ratio and a £4.1bn reduction in CET 1 capital (representing a deduction for future losses) in the calculation of both the CET 1 capital ratio and the PRA Leverage Ratio.

The result of the PRA Adjustments above is a reduction in the estimated fully loaded CET 1 capital ratio including the impact of the Rights Issue from 9.3% to 8.0%.

The PRA Leverage Ratio in the table below includes the impact of PRA Adjustments resulting in a leverage ratio of 2.2% pre-Rights Issue and 2.5% post-Rights Issue respectively.

	Barclays PLC	Rights Issue proceeds (£mn)	Post- Rights Issue
CRD IV Leverage Exposure	1,559,000	5,823	1,564,823
Fully loaded CET 1 capital	38,059	5,823	43,882
PRA Adjustments	(4,100)	—	(4,100)
Fully loaded CET1 capital for the purposes of the PRA Leverage Ratio	33,959	5,823	39,782
PRA Leverage Ratio	2.2%		2.5%



The Directors and the Prospective Directors (the “Directors”)

Barclays PLC
1 Churchill Place
Canary Wharf
London E14 5HP

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ

16 September 2013

Dear Sirs

Barclays PLC (the “Company”)

We report on the unaudited pro forma financial information (the “**Pro forma financial information**”) set out in Part VI of the Company’s prospectus dated 16 September 2013 (the “**Prospectus**”) which has been prepared on the basis described in the notes to the Pro forma financial information, for illustrative purposes only, to provide information about how the proposed rights issue of new ordinary shares might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial information for the period ended 30 June 2013. This report is required by item 20.2 of Annex I to the PD Regulation and is given for the purpose of complying with that PD Regulation and for no other purpose.

Responsibilities

It is the responsibility of the Directors to prepare the Pro forma financial information in accordance with item 20.2 of Annex I to the PD Regulation.

It is our responsibility to form an opinion, as required by item 7 of Annex II to the PD Regulation, as to the proper compilation of the Pro forma financial information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.5.3R(2)(f) of the Prospectus Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the PD Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information,

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consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- a) the Pro forma financial information has been properly compiled on the basis stated; and
- b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3 R(2)(f), we are responsible for this report as part of the Prospectus and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex I to the PD Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART VII
TAXATION

QUALIFYING SHAREHOLDERS AND QUALIFYING SHARESTORE MEMBERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE RIGHTS ISSUE (INCLUDING THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE NIL PAID RIGHTS, THE FULLY PAID RIGHTS AND/OR THE NEW ORDINARY SHARES), INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES UNDER APPLICABLE TAX LAWS IN THEIR COUNTRY OF TAX RESIDENCE AS THE TAX SECTIONS WHICH FOLLOW SUMMARISE CERTAIN LIMITED TAX CONSIDERATIONS ONLY.

1. UK Taxation

1.1 General

The following statements are intended to apply only as a general guide to certain UK tax considerations, and are based on current UK tax law and published practice of HMRC as of the date of this document, both of which are subject to change at any time, possibly with retroactive effect. References to Qualifying Shareholders in this paragraph 1 should also be read as references to Qualifying Sharestore Members, unless the context requires otherwise. The statements relate only to certain limited aspects of the UK taxation treatment of the holders of Existing Ordinary Shares and New Ordinary Shares. They are intended to apply only to Qualifying Shareholders who are resident and, in the case of individuals, domiciled, in (and only in) the UK for UK tax purposes (except in so far as express reference is made to the treatment of non-UK residents) who hold their Existing Ordinary Shares and New Ordinary Shares as investments (other than under an individual savings account) and who are the absolute beneficial owners of their Existing Ordinary Shares and New Ordinary Shares and (in each case) any dividends paid on them. The statements are not addressed to: (i) special classes of Qualifying Shareholders such as, for example, dealers in securities, broker-dealers, intermediaries, insurance companies and collective investment schemes; (ii) Qualifying Shareholders who hold New Ordinary Shares as part of hedging transactions; (iii) Qualifying Shareholders who have (or are deemed to have) acquired their New Ordinary Shares by virtue of an office or employment; and (iv) Qualifying Shareholders who hold New Ordinary Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate Qualifying Shareholder, through a permanent establishment or otherwise).

1.2 Chargeable gains

Rights Issue

The issue of the New Ordinary Shares by the Company to Qualifying Shareholders by way of rights should constitute a reorganisation of the Company's share capital for the purposes of United Kingdom taxation of chargeable gains. Accordingly, a Qualifying Shareholder should not be treated as making a disposal, for the purposes of the taxation of chargeable gains, of any part of his Existing Ordinary Shares by reason of taking up his rights to New Ordinary Shares. No liability to taxation on chargeable gains should arise in respect of the issue of New Ordinary Shares to the extent that a Qualifying Shareholder takes up his full entitlement to New Ordinary Shares.

For the purposes of the taxation of chargeable gains, if and to the extent that a Qualifying Shareholder takes up all or any of his rights to the New Ordinary Shares, his holding of Existing Ordinary Shares and his New Ordinary Shares should be treated as the same asset, acquired at the time he acquired his Existing Ordinary Shares. The amount paid for the New Ordinary Shares should generally be added to the base cost of his Existing Ordinary Shares. In the case of a Qualifying Shareholder within the charge to UK corporation tax, indexation allowance should apply to the amount paid (but generally only from the time such payment was made) for the New Ordinary Shares (but will not apply so as to create or increase an allowable loss). In the case of individuals, trustees and personal representatives, indexation allowance is not available.

Disposals

If a Qualifying Shareholder sells or otherwise disposes of all or any of the New Ordinary Shares provisionally allotted to him, or his rights to them, or if he allows or is deemed to have allowed his rights to lapse and receives a cash payment in respect of them, he may, depending on his circumstances and subject to any available exemption or relief, incur a liability to taxation on any chargeable gain realised.

However, if the proceeds resulting from a lapse or disposal of the rights to acquire New Ordinary Shares are “small” as compared with the market value (on the date of the lapse or disposal) of that Qualifying Shareholder’s holding of Existing Ordinary Shares, such a Qualifying Shareholder should not generally be treated as making a disposal for the purposes of the taxation of chargeable gains. The proceeds should instead normally be deducted from the base cost of the relevant holding of Existing Ordinary Shares for the purposes of computing any chargeable gain or allowable loss on a subsequent disposal. The current practice of HMRC is generally to treat the proceeds as “small” where either: (i) the proceeds of the lapse or disposal of rights do not exceed 5% of the market value (at the date of the lapse or disposal) of the holding of Existing Ordinary Shares in respect of which the rights arose or (ii) the amount of the proceeds is £3,000 or less, regardless of whether the 5% test is satisfied. This treatment will not apply where a Qualifying Shareholder’s base cost in his Existing Ordinary Shares is less than the proceeds resulting from the lapse or disposal. If that is the case, such Qualifying Shareholder will instead be treated as making a disposal for the purposes of tax on chargeable gains upon the lapse or disposal of all or any of the New Ordinary Shares provisionally allotted to him, or his rights to them. Such a Qualifying Shareholder may elect for the proceeds of such a disposal to be reduced by the base cost (if any) which he has in his Existing Ordinary Shares. A consequence of such an election would be that the Qualifying Shareholder’s base cost in his Existing Ordinary Shares would not then be allowable as a deduction in computing any gain accruing on any subsequent occasion.

A disposal by a Qualifying Shareholder within the charge to UK capital gains tax, such as an individual, trustee or personal representative, will, subject to the availability to the Qualifying Shareholder of any exceptions, reliefs and/or allowable losses, generally be subject to tax on any gain arising at the rate of 18% (in the case of individuals whose total income and chargeable gains in the tax year of disposal do not exceed the individual’s basic rate band for income tax purposes for that tax year) or 28% (in the case of individuals whose total taxable income and chargeable gains for the tax year of disposal exceed the basic rate band for income tax purposes for that year, trustees and personal representatives).

Individuals who are temporarily non-UK resident may, in certain circumstances, be subject to tax in respect of gains realised whilst they are not resident in the UK.

A Qualifying Shareholder who is not resident for tax purposes in the UK will not generally be subject to taxation of chargeable gains on the disposal or deemed disposal of New Ordinary Shares unless the Qualifying Shareholder is carrying on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a corporate Qualifying Shareholder, a permanent establishment) in connection with which the New Ordinary Shares are used, held or acquired. Non-UK tax resident Ordinary Shareholders may be subject to non-UK taxation on any gain under local law.

1.3 Dividends

Under current UK tax law, the Company will not be required to withhold tax at source from dividend payments it makes.

Individuals

An individual Qualifying Shareholder who is resident in the UK for tax purposes and who receives a dividend from the Company will be entitled to a tax credit which may be set off against his total income tax liability on the dividend. Such an individual Qualifying Shareholder’s liability to income tax is calculated on the aggregate of the dividend and the tax credit (the “**gross dividend**”) which will be regarded as the top slice of the individual’s income. The tax credit will be equal to 10% of the gross dividend (i.e. the tax credit will be one-ninth of the amount of a cash dividend received). Where the tax credit exceeds the Qualifying Shareholder’s tax liability in respect of the gross dividend, the Qualifying Shareholder cannot claim payment from HMRC in respect of any part of the tax credit.

A UK resident individual Qualifying Shareholder who is liable to income tax at a rate not exceeding the basic rate will be subject to income tax on the dividend at the rate of 10% of the gross dividend so that the tax credit will satisfy in full such Qualifying Shareholder’s liability to income tax on the dividend.

A UK resident individual Qualifying Shareholder liable to income tax at the higher rate will be subject to income tax on the gross dividend at 32.5% to the extent that such sum, when treated as the top slice of such Qualifying Shareholder’s income, falls above the threshold for higher rate income tax. However, such Qualifying Shareholder will be able to set the tax credit off against part of this liability. The effect of that set-off of the tax credit is that a Qualifying Shareholder who is liable to income tax on the dividend wholly at the higher rate will have to account for additional tax equal to 22.5% of the gross dividend (which is also equal to 25% of a cash dividend received).

A UK resident individual Qualifying Shareholder liable to income tax at the additional rate will be subject to income tax on the gross dividend at 37.5% to the extent that such sum, when treated as the top slice of such Qualifying Shareholder's income, falls above the threshold for additional rate income tax. However, such Qualifying Shareholder will be able to set the tax credit off against part of this liability. The effect of that set-off of the tax credit is that an individual who is liable to income tax on the dividend wholly at the additional rate would have to account for additional tax equal to 27.5% of the gross dividend (which is also equal to approximately 30.56% of a cash dividend received).

Companies

A corporate Qualifying Shareholder resident in the UK for tax purposes will not normally be subject to corporation tax on any dividend received from the Company provided certain conditions for exemption are satisfied.

It is expected that the exemption will apply in most cases but Qualifying Shareholders within the charge to corporation tax are strongly advised to consult their independent professional tax advisers as to whether the exemption is available, as the relevant legislation contains a number of complex carve outs and anti-avoidance provisions. Such a corporate Qualifying Shareholder will not be entitled to any payment from HMRC in respect of the tax credit attaching to any dividend paid by the Company.

Other UK Qualifying Shareholders

Other UK Qualifying Shareholders which are not liable to UK tax on dividends, including pension funds and charities, will not be entitled to any payment from HMRC in respect of the tax credit attaching to any dividend paid by the Company.

Non UK Qualifying Shareholders

Qualifying Shareholders who are resident outside the UK for tax purposes will not generally be able to claim repayment of any part of the tax credit attaching to dividends received from the Company, although this will depend on the existence and terms of any double taxation convention between the UK and the country in which such Qualifying Shareholder is resident. A Qualifying Shareholder resident outside the UK may also be subject to non-UK taxation on dividend income under local law. A Qualifying Shareholder who is resident outside the UK for tax purposes should consult his own tax adviser concerning his tax position on dividends received from the Company. Some information on certain aspects of Belgian, Cypriot, French, German, Irish, Italian, Maltese, The Netherlands and Spanish taxation is set out in paragraphs 2-10 of this Part VII below.

1.4 Stamp duty and SDRT

Rights Issue

No stamp duty or SDRT will generally be payable on: the issue of Provisional Allotment Letters, split letters of allotment or definitive share certificates; the registration of the original holders of Provisional Allotment Letters or their renounees; the crediting of the Nil Paid Rights or Fully Paid Rights to stock accounts in CREST; or issue in uncertificated form of the New Ordinary Shares.

The transfer of Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter or held in CREST (other than to a depository or clearance service or their nominees or agents) on or before the latest time for registration or renunciation or transfer, will not be liable to stamp duty but will normally be liable to SDRT at the rate of 0.5% of the actual consideration paid. In the case of transfers within CREST, any SDRT due will be collected through CREST in accordance with the CREST rules.

Where such a purchase is effected through a stockbroker or other financial intermediary, that person will normally account to HMRC for the SDRT and should indicate that this has been done in any contract note issued to the purchaser. In other cases, the acquirer of the rights to the New Ordinary Shares represented by the Provisional Allotment Letters is liable to pay the SDRT and must account for it to HMRC. Any SDRT arising on the transfer of Nil Paid Rights or Fully Paid Rights held in CREST should be collected and accounted for to HMRC by CREST.

UK legislation provides for a 1.5% stamp duty or SDRT charge where Provisional Allotment Letters or split letters of allotment or New Ordinary Shares are transferred (in the case of stamp duty) or issued or transferred (in the case of SDRT) (i) to, or to a nominee or agent for, a person whose business is or includes the provision of clearance services or (ii) to, or to a nominee or agent for, a person whose

business is or includes issuing depository receipts. However, following litigation HMRC have confirmed that they will no longer seek to apply the 1.5 per cent. SDRT charge on an issue of shares or securities into a clearance service or depository receipt arrangement on the basis that the charge is not compatible with EU law. HMRC's view is that the 1.5% SDRT or stamp duty charge will continue to apply to transfers of shares or securities into a clearance service or depository receipt arrangement unless they are an integral part of an issue of share capital. This view is currently being challenged in further litigation. Accordingly, it may be appropriate to seek specific professional advice before incurring a 1.5% stamp duty or SDRT charge.

Clearance services may opt, under certain conditions, for the normal rates of stamp duty or SDRT (being 0.5% of the amount or value of the consideration for the transfer) to apply to a transfer of shares into, and to transactions within, the service instead of the higher rate of 1.5% referred to above.

Subsequent transfers

Stamp duty at the rate of 0.5% (rounded up to the next multiple of £5) of the amount or value of the consideration given is generally payable on an instrument transferring New Ordinary Shares. A charge to SDRT will also arise on an unconditional agreement to transfer New Ordinary Shares (at the rate of 0.5% of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will be refunded (generally, where the tax repaid is not less than £25, with interest at the relevant prevailing rate from the date on which the payment was made until the order for repayment is issued) provided that a claim for payment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the purchaser or transferee. An exemption from stamp duty is available on an instrument transferring New Ordinary Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

Paperless transfers of New Ordinary Shares within CREST are generally liable to SDRT, rather than stamp duty, at the rate of 0.5% of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system. Under the CREST system, no stamp duty or SDRT will arise on a transfer of New Ordinary Shares into the system unless such a transfer is made for a consideration in money or money's worth, in which case a liability to SDRT (usually at a rate of 0.5%.) will arise.

The above statements apply to Qualifying Shareholders, irrespective of their place of residence for tax purposes and are intended only as a general guide to the current stamp duty and SDRT position.

Transfers to certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for SDRT, be required to notify and account for it.

2. Belgian Withholding Taxation

Dividends paid by the Company will be subject to Belgian withholding tax at the rate of 25% if paid or made available through a professional intermediary in Belgium, and subject to such relief as may be available under applicable domestic provisions. Dividends subject to the dividend withholding tax include all benefits paid on or attributed to the New Ordinary Shares, irrespective of their form, as well as reimbursements of statutory capital, except reimbursements of fiscal capital provided certain conditions are complied with. In principle, fiscal capital includes the paid-up statutory capital, paid-up issue premiums and the amounts subscribed to at the time of the issue of profit-sharing certificates, if treated in the same way as capital according to the articles of association of the Company.

3. Cypriot Withholding Tax

Under current Cypriot tax law, the Company will not be required to withhold Cypriot tax at source from dividend payments it makes to individuals or corporations resident in Cyprus for tax purposes.

4. French Withholding Taxation

All payments of dividends by the Company will be made free and clear of any withholding or deduction for or on account of French tax, save as described below.

Mandatory French withholding tax is levied at the rate of 21% on dividends if paid by a paying agent established in France to French tax resident individuals holding Ordinary Shares as part of their private assets, or upon election for such withholding at source by the individual if the paying agent is based elsewhere in the European Union, in Iceland, Norway or Liechtenstein.

5. German Withholding Taxation

All payments of dividends by the Company will be made free and clear of any withholding or deduction for or on account of German tax, save as described below.

Mandatory German withholding tax (*Kapitalertragsteuer*) will be levied at the rate of 26.375% (including solidarity surcharge (*Solidarit tszuschlag*)) on dividends and on capitals gains realised upon the sale of Shares, subject to certain exceptions, if paid in its capacity as paying agent (*auszahlende Stelle*) by a German branch of a German or non-German credit or financial services institution or by a German securities trading business or a German securities trading bank established in Germany to German tax resident Shareholders.

6. Irish Withholding Taxation

Under current Irish tax law, the Company will not be required to withhold Irish tax at source from dividend payments it makes.

7. Italian Withholding Taxation

Under current Italian tax law, the Company will not be required to apply Italian withholding taxes at source from dividend payments it makes. Under certain conditions, Italian withholding taxes may apply if the Existing Ordinary Shares or the New Ordinary Shares, as applicable, are deposited with an Italian resident entity or in the event that an Italian financial intermediary intervenes, in any way, in the collection of the dividend payments.

8. Maltese Withholding Taxation

Under current Maltese tax law the Company will not be required to withhold any Maltese tax from dividend payments it makes to Maltese investors. This does not prejudice any possible Maltese tax liability due by the investors on such dividends.

9. Dutch Withholding Taxation

Under current Netherlands tax law, the Company will not be required to withhold Netherlands tax at source from dividend payments it makes.

10. Spanish Withholding Taxation

Subject to the following paragraph, any payments of dividends in respect of the Existing Ordinary Shares or the New Ordinary Shares will be made free of any withholding or deduction for or on account of any taxes in Spain.

Under certain conditions, Spanish withholding taxes may apply if the Existing Ordinary Shares or the New Ordinary Shares, as applicable, are deposited with a Spanish resident entity acting as depositary or custodian.

11. Proposed financial transaction tax (“FTT”)

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Ordinary Shares (including secondary market transactions) in certain circumstances.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Ordinary Shares where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including by transacting with a person established in a participating Member State .

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Ordinary Shares are advised to seek their own professional advice in relation to the FTT.

12. United States Foreign Account Tax Compliance (“FACTA”) Withholding

A 30% withholding tax may be imposed by the US on all or some of the payments on the New Ordinary Shares no earlier than 31 December 2016 to holders and non-U.S. financial institutions receiving payments on behalf of holders that, in each case, fail to comply with information reporting, certification and related requirements. Under current regulations, the amount to be withheld is not defined, and it is not yet clear whether or to what extent payments on the New Ordinary Shares may be subject to this withholding tax. This withholding tax, if it applies, could apply to any payment made with respect to the New Ordinary Shares, including payments of dividends, redemption proceeds or a return of a holder’s capital. Moreover, withholding may be imposed at any point in a chain of payments if a non-US payee fails to comply with US information reporting, certification and related requirements. Accordingly, New Ordinary Shares held through a non-compliant institution may be subject to withholding even if the holder otherwise would not be subject to withholding.

PART VIII
ADDITIONAL INFORMATION

1. Responsibility

The Company, the Directors and the Prospective Directors, whose names are set out on page 52 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company, the Directors and the Prospective Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and Registered Office

- 2.1 Barclays PLC is a public limited company registered in England and Wales under company number 48839. Barclays, originally named Barclay & Company Limited, was incorporated in England and Wales on 20 July 1896 under the Companies Acts 1862 to 1890 as a company limited by shares. The company name was changed to Barclays Bank Limited on 17 February 1917 and it was registered on 15 February 1982 as a public limited company under the Companies Acts 1948 to 1980. On 1 January 1985, the company changed its name to Barclays PLC.
- 2.2 Barclays' registered and head office is at 1 Churchill Place, London E14 5HP (telephone number: +44 (0)20 7116 1000).
- 2.3 The principal law and legislation under which the Company operates, and pursuant to which the New Ordinary Shares will be created, is the Companies Act and regulations made thereunder.
- 2.4 The principal trading market for the Ordinary Shares is the London Stock Exchange. The Company also obtained listings on the Tokyo Stock Exchange with effect from 1 August 1986 and the New York Stock Exchange with effect from 9 September 1986. On 21 May 2008 Barclays gave its notice to de-list from the Tokyo Stock Exchange. The de-listing became effective on 28 June 2008.
- 2.5 Trading on the New York Stock Exchange is in the form of ADSs under the symbol "BCS". Each ADS represents four Ordinary Shares and is evidenced by an American Depositary Receipt ("ADR"). The ADR depository is JPMorgan Chase Bank, N.A. Details of trading activity are published in the stock tables of leading daily newspapers in the United States.
- 2.6 The New Ordinary Shares are in registered form and may be held in either certificated or uncertificated form.
- 2.7 The auditors of Barclays are, and have been throughout the period covered by the financial information in this Prospectus, PricewaterhouseCoopers LLP, Chartered Accountants and Registered Auditors, 7 More London Riverside, London SE1 2RT, United Kingdom.

3. Share Capital

- 3.1 The Ordinary Shares in the share capital of Barclays have a nominal value of 25 pence each and are listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities.

3.2 The following table shows the changes in the share capital of Barclays which occurred from 31 December 2009 to the Record Date, being the latest practicable date prior to the publication of this Prospectus:

	Number of shares	Ordinary shares (£)	Share premium (£)	Total (£)
As at 1 January 2010	11,411,577,230	2,852,894,307.50	7,951,578,615.41	10,804,472,922.91
Issued to staff under Sharesave*	1,079,462	269,865.50	2,608,988.51	2,878,854.01
Issued to staff under ISOP*	77,519	19,379.75	226,355.48	245,735.23
Issued to staff under Sharepurchase*	10,769,042	2,692,260.50	30,352,586.00	33,044,846.50
Exercise of warrants	758,437,618	189,609,404.50	1,310,390,594.50	1,499,999,999.00
As at 31 December 2010	12,181,940,871	3,045,485,217.75	9,295,157,139.89	12,340,642,357.66
Issued to staff under Sharesave*	710,366	177,591.50	1,264,441.89	1,442,033.39
Issued to staff under ISOP*	45,177	11,294.25	131,916.84	143,211.09
Issued to staff under Sharepurchase*	15,019,251	3,754,812.75	31,495,071.75	35,249,884.50
Issued to staff under SVP*	1,758,489	439,622.25	2,681,232.64	3,120,854.89
As at 31 December 2011	12,199,474,154	3,049,868,538.50	9,330,729,803.01	12,380,598,341.51
Issued to staff under Sharesave*	1,090,388	272,597.00	28,025,358.63	28,297,955.63
Issued to staff under Sharepurchase*	15,347,367	3,836,841.75	1,328,020.47	5,164,862.22
Issued to staff under SVP*	26,721,642	6,680,410.50	56,978,596.15	63,659,006.65
As at 31 December 2012	12,242,633,551	3,060,658,387.75	9,417,061,778.25	12,477,720,166.00
Exercise of warrants ⁽¹⁾	379,218,809	94,804,702.25	655,195,297.25	749,999,999.50
Issued to staff under Sharesave*	1,534,210	383,552.50	2,679,029.85	3,062,582.35
Issued to staff under ISOP*	156,069	39,017.25	455,721.48	494,738.73
Issued to staff under Sharepurchase*	9,104,797	2,276,199.25	24,570,212.86	26,846,412.11
Issued to staff under SVP*	237,000,000	59,250,000.00	679,360,500.00	738,610,500.00
Issued under the Scrip Dividend Programme ⁽²⁾	6,624,036	1,656,009.00	17,220,506.39	18,876,515.39
As at the Record Date	12,876,271,472	3,219,067,868.00	10,796,543,046.08	14,015,610,914.08

(1) On 31 October 2008, Barclays issued warrants to subscribe for up to 1,516.9 million new Ordinary Shares at a price of £1.97775, in conjunction with a simultaneous issue by Barclays Bank PLC of Reserve Capital Instruments. No warrants were exercised during either 2012 or 2011. As at 31 December 2012, there were unexercised warrants to subscribe for 379.2 million new Ordinary Shares, all of which were exercised on 13 February 2013.

(2) Barclays' Shareholders approved the introduction of the Scrip Dividend Programme at the Company's Annual General Meeting held on 25 April 2013. 6,624,036 Ordinary Shares were issued on 13 September 2013 to participants in the Scrip Dividend Programme in respect of the second interim dividend of one pence per Existing Ordinary Share announced on 30 July 2013. Such Ordinary Shares were issued to the relevant participants prior to the close of business on the Record Date and hence are eligible to participate in the Rights Issue.

* ISOP, Sharepurchase, Sharesave and SVP are Barclays Employee Share Plans. For further information on the Barclays Employee Share Plans, see paragraph 13 of this Part VIII below.

3.3 The issued and fully paid share capital of the Company immediately following completion of the Rights Issue is expected to be as follows:

Class of share	Issued and fully paid		
	Nominal Value (£)	Number ⁽¹⁾	Amount (£)
Ordinary Share	0.25 each	16,095,339,340	4,023,834,835

(1) The number of Ordinary Shares in issue immediately following the Rights Issue assumes that no further Ordinary Shares are issued between the Record Date (the latest practicable date prior to the publication of this Prospectus) and the closing of the Rights Issue (other than pursuant to the Rights Issue).

3.4 Subject to Admission, pursuant to the Rights Issue 3,219,067,868 New Ordinary Shares will be issued at a price of 185 pence per New Ordinary Share. This will result in the issued share capital of the Company increasing by approximately 25%. Qualifying Shareholders who take up their *pro rata* entitlement in full will suffer no dilution to their interests in the Company. Qualifying Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will suffer an immediate dilution of 20% in their interests in the Company.

3.5 As at the Record Date, being the last practicable date prior to the publication of this Prospectus, a maximum of 1,287,627,147 Ordinary Shares may be issued in any 10 year rolling period in respect of options and awards granted or to be granted under the Barclays Employee Share Plans (details of which are set out in paragraph 13 of this Part VIII below).

- 3.6 The Company remains subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of the Companies Act 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to the unissued share capital of the Company which is not subject to an existing disapplication (details of which are set out in paragraph 5 below).
- 3.7 The Existing Ordinary Shares are in registered form and are capable of being held in either certificated or uncertificated form and title to such shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Existing Ordinary Shares are listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities. The ISIN of the Existing Ordinary Shares is GB0031348658.
- 3.8 The New Ordinary Shares will be in registered form and, from Admission, will be capable of being held in either certificated or uncertificated form and title to such shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where New Ordinary Shares are held in certificated form, share certificates will be sent to the registered members by first class post. Where the New Ordinary Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The New Ordinary Shares will be admitted with the ISIN GB0031348658.
- 3.9 Other than as provided in Part 28 of the Companies Act 2006 and the UK Takeover Code there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules in relation to the Ordinary Shares.

4. Articles of Association

The following is a summary and explanation of the current Articles of Association, which are available for inspection as set out in paragraph 24 of this Part VIII. The Articles of Association were adopted at the Company's Annual General Meeting ("AGM") on 30 April 2010 and amended at the AGM of the Company on 25 April 2013.

The Company may, by special resolution, amend its Articles of Association.

4.1 Objects

The Companies Act 2006 states that a company's objects are unrestricted unless that company's articles provide otherwise. The Articles of Association reflect this provision and as a result the Company's objects are unrestricted.

4.2 Limited liability

The liability of the Company's members is limited to any unpaid amount on the Ordinary Shares in the Company held by them.

4.3 Directors

- (a) The minimum number of Directors (excluding alternate Directors) is five. There is no maximum limit. There is no age limit for Directors.
- (b) Excluding executive remuneration and any other entitlement to remuneration for extra services (including service on board committees) under the Articles of Association, a Director is entitled to a fee at a rate determined by the Board but the aggregate fees paid to all Directors shall not exceed £2,000,000 per annum or such higher amount as may be approved by an ordinary resolution of the Company. Each Director is entitled to reimbursement for all reasonable travelling, hotel and other expenses properly incurred by him/her in or about the performance of his/her duties.
- (c) No Director may act (either himself/herself or through his/her firm) as an auditor of the Company. A Director may hold any other office of the Company on such terms as the Board shall determine.
- (d) At each AGM of the Company, one third of the Directors (rounded down) are required under the Articles of Association to retire from office by rotation and may offer themselves for re-election. The Directors so retiring are first, those who wish to retire and not offer themselves for re-election, and, second, those who have been longest in office (and in the case of equality of service length are selected by lot). Other than a retiring Director, no person shall (unless recommended by the Board) be eligible for election unless a member notifies the Company Secretary in advance of his/her intention to propose that person for election. It is Barclays' practice that all Directors offer themselves for re-election annually in accordance with the UK Corporate Governance Code.

- (e) The Board has the power to appoint additional Directors or to fill a casual vacancy amongst the Directors. Any Director so appointed holds office until the next AGM, when he/she may offer himself/herself for reappointment. He/she is not taken into account in determining the number of Directors retiring by rotation.
- (f) The Board may appoint any Director to any executive position or employment in the Company on such terms as they determine.
- (g) The Company may by ordinary resolution remove a Director before the expiry of his/her period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may by ordinary resolution appoint another person who is willing to act to be a Director in his/her place.
- (h) A Director may appoint either another Director or some other person approved by the Board to act as his/her alternate with power to attend Board meetings and generally to exercise the functions of the appointing Director in his/her absence (other than the power to appoint an alternate).
- (i) The Board may authorise any matter in relation to which a Director has, or can have, a direct interest that conflicts, or possibly may conflict with, the Company's interests. Only Directors who have no interest in the matter being considered will be able to authorise the relevant matter and they may impose limits or conditions when giving authorisation if they think this is appropriate.
- (j) A Director may hold positions with or be interested in other companies and, subject to legislation applicable to the Company and the FCA's requirements, may contract with the Company or any other company in which the Company is interested. A Director may not vote or count towards the quorum on any resolution concerning any proposal in which he/she (or any person connected with him/her) has a material interest (other than by virtue of his/her interest in securities of the Company) or if he/she has a duty which conflicts or may conflict with the interests of the Company, unless the resolution relates to any proposal:
 - (i) to indemnify a Director or provide him/her with a guarantee or security in respect of money lent by him/her to, or any obligation incurred by him/her or any other person for the benefit of (or at the request of), the Company (or any other member of the Group);
 - (ii) to indemnify or give security or a guarantee to a third party in respect of a debt or obligation of the Company (or any other member of the Group) for which the Director has personally assumed responsibility;
 - (iii) to obtain insurance for the benefit of Directors;
 - (iv) involving the acquisition by a Director of any securities of the Company (or any other member of the Group) pursuant to an offer to existing holders of securities or to the public;
 - (v) that the Director underwrite any issue of securities of the Company (or any other member of the Group);
 - (vi) concerning any other company in which the Director is interested as an officer or creditor or shareholder but, broadly, only if he/she (together with his/her connected persons) is directly or indirectly interested in less than 1% of either any class of the issued equity share capital or of the voting rights of that company; and
 - (vii) concerning any other arrangement for the benefit of employees of the Company (or any other member of the Group) under which the Director benefits or stands to benefit in a similar manner to the employees concerned and which does not give the Director any advantage which the employees to whom the arrangement relates would not receive.
- (k) A Director may not vote or be counted in the quorum on any resolution which concerns his/her own employment or appointment to any office of the Company or any other company in which the Company is interested.
- (l) Subject to applicable legislation, the provisions described in sub-paragraphs (j) and (k) may be relaxed or suspended by an ordinary resolution of the members of the Company or any applicable governmental or other regulatory body.
- (m) A Director is required to hold an interest in ordinary shares having a nominal value of at least £500, which currently equates to 2,000 Ordinary Shares unless restricted from acquiring or holding such interest by any applicable law or regulation or any applicable governmental or other regulatory body. A Director may act before acquiring those shares but must acquire the qualification shares within

two months from his/her appointment. Where a Director is unable to acquire the requisite number of shares within that time owing to law, regulation or requirement of any governmental or other relevant authority, he/she must acquire the shares as soon as reasonably practicable once the restriction(s) end.

- (n) The Board may exercise all of the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities.

4.4 Classes of Shares

The Company only has Ordinary Shares in issue. The Articles of Association also provide for pounds sterling preference shares of £100 each, US dollar preference shares of US\$100 each, US dollar preference shares of US\$0.25 each, euro preference shares of €100 each and yen preference shares of ¥10,000 each (together, the “**Preference Shares**”). In accordance with the authority granted at the AGM on 25 April 2013, Preference Shares may be issued by the Board from time to time in one or more series with such rights and subject to such restrictions and limitations as the Board may determine. No Preference Shares have been issued to date.

4.5 Dividends

Subject to the provisions of the Articles of Association and applicable legislation, the Company in general meeting may declare dividends on the Ordinary Shares by ordinary resolution, but any such dividend may not exceed the amount recommended by the Board. The Board may also pay interim or final dividends if it appears they are justified by the Company’s financial position.

Each Preference Share confers the right to a preferential dividend (“**Preference Dividend**”) payable in such currency at such rates (whether fixed or calculated by reference to or in accordance with a specified procedure or mechanism), on such dates and on such other terms as may be determined by the Board prior to allotment thereof.

The Preference Shares rank in regard to payment of dividends in priority to the holders of Ordinary Shares and any other class of shares in the Company ranking junior to the Preference Shares.

Dividends may be paid on the Preference Shares if, in the opinion of the Board, the Company has sufficient distributable profits, after payment in full or the setting aside of a sum to provide for all dividends payable on (or in the case of shares carrying a cumulative right to dividends, before) the relevant dividend payment date on any class of shares in the Company ranking *pari passu* with or in priority to the relevant series of Preference Shares as regards participation in the profits of the Company.

If the Board considers that the distributable profits of the Company available for distribution are insufficient to cover the payment in full of Preference Dividends, Preference Dividends shall be paid to the extent of the distributable profits on a *pro rata* basis.

Notwithstanding the above, the Board may, at its absolute discretion, determine that any Preference Dividend which would otherwise be payable may either not be payable at all or only payable in part.

If any Preference Dividend on a series of Preference Shares is not paid, or is only paid in part, for the reasons described above, holders of Preference Shares will not have a claim in respect of such non-payment.

If any dividend on a series of Preference Shares is not paid in full on the relevant dividend payment date, a dividend restriction shall apply. The dividend restriction means that, subject to certain exceptions, neither the Company nor Barclays Bank may (a) pay a dividend on, or (b) redeem, purchase, reduce or otherwise acquire, any of their respective ordinary shares, other preference shares or other share capital ranking equal or junior to the relevant series of Preference Shares until the earlier of such time as the Company next pays in full a dividend on the relevant series of Preference Shares or the date on which all of the relevant series of Preference Shares are redeemed.

All unclaimed dividends payable in respect of any share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. If a dividend is not claimed after 12 years of it becoming payable, it is forfeited and reverts to the Company.

The Board may, with the approval of an ordinary resolution of the Company, offer Shareholders the right to choose to receive an allotment of additional fully paid Ordinary Shares instead of cash in respect of all or part of any dividend. The Company currently provides a scrip dividend programme pursuant to an authority granted at the AGM held on 25 April 2013.

4.6 Voting

Every member who is present in person or represented at any general meeting of the Company, and who is entitled to vote, has one vote on a show of hands. Every proxy present has one vote, the proxy will have one vote for and one vote against a resolution if he/she has been instructed to vote for and against the resolution by different members or in one direction by a member while another member has permitted the proxy discretion as to how to vote. On a poll, every member who is present or represented and who is entitled to vote has one vote for every share held. In the case of joint holders, only the vote of the senior holder (as determined by order in the share register) or his proxy may be counted. If any sum payable remains unpaid in relation to a member's shareholding, that member is not entitled to vote that share or exercise any other right in relation to a meeting of the Company unless the Board otherwise determines.

If any member, or any other person appearing to be interested in any of the Ordinary Shares, is served with a notice under Section 793 of the Companies Act 2006 and does not supply the Company with the information required in the notice, then the Board, in its absolute discretion, may direct that that member shall not be entitled to attend or vote at any meeting of the Company. The Board may further direct that if the shares of the defaulting member represent 0.25% or more of the issued shares of the relevant class, that dividends or other monies payable on those shares shall be retained by the Company until the direction ceases to have effect and that no transfer of those shares shall be registered (other than certain specified "excepted transfers"). A direction ceases to have effect seven days after the Company has received the information requested, or when the Company is notified that an "excepted transfer" of all of the relevant shares to a third party has occurred, or as the Board otherwise determines.

4.7 Transfers

Ordinary Shares may be held in either certificated or uncertificated form. Certificated Ordinary Shares shall be transferred in writing in any usual or other form approved by the Board and executed by or on behalf of the transferor. Transfers of uncertificated Ordinary Shares shall be made in accordance with the Companies Act 2006 and CREST Regulations.

The Board is not bound to register a transfer of partly paid Ordinary Shares, or fully paid shares in exceptional circumstances approved by the FCA. The Board may also decline to register an instrument of transfer of certificated Ordinary Shares unless it is duly stamped and deposited at the prescribed place and accompanied by the share certificate(s) and such other evidence as reasonably required by the Board to evidence right to transfer, it is in respect of one class of shares only, and it is in favour of a single transferee or not more than four joint transferees (except in the case of executors or trustees of a member).

Preference Shares may be represented by share warrants to bearer or be in registered form.

Preference Shares represented by share warrants to bearer are transferred by delivery of the relevant warrant. Preference Shares in registered form shall be transferred in writing in any usual or other form approved by the Board and executed by or on behalf of the transferor. The Company's registrar shall register such transfers of Preference Shares in registered form by making the appropriate entries in the register of Preference Shares.

Each Preference Share shall confer, in the event of a winding up or any return of capital by reduction of capital (other than, unless otherwise provided by their terms of issue, a redemption or purchase by the Company of any of its issued shares, or a reduction of share capital), the right to receive out of the surplus assets of the Company available for distribution amongst the members and in priority to the holders of the Ordinary Shares and any other shares in the Company ranking junior to the relevant series of Preference Shares and *pari passu* with any other class of Preference Shares (other than any class of shares then in issue ranking in priority to the relevant series of Preference Shares), repayment of the amount paid up or treated as paid up in respect of the nominal value of the Preference Share together with any premium which was paid or treated as paid when the Preference Share was issued in addition to an amount equal to accrued and unpaid dividends.

4.8 Redemption and Purchase

Subject to applicable legislation and the rights of the other Shareholders, any share may be issued on terms that it is, at the option of the Company or the holder of such share, redeemable. The Directors are authorised to determine the terms, conditions and manner of redemption of any such shares under the Articles of Association.

4.9 Calls on capital

The Directors may make calls upon the members in respect of any monies unpaid on their shares. A person upon whom a call is made remains liable even if the shares in respect of which the call is made have been transferred. Interest will be chargeable on any unpaid amount called at a rate determined by the Board (of not more than 20% per annum).

If a member fails to pay any call in full (following notice from the Board that such failure will result in forfeiture of the relevant shares), such shares (including any dividends declared but not paid) may be forfeited by a resolution of the Board, and will become the property of the Company. Forfeiture shall not absolve a previous member for amounts payable by him/her (which may continue to accrue interest).

The Company also has a lien over all partly paid shares of the Company for all monies payable or called on that share and over the debts and liabilities of a member to the Company. If any monies which are the subject of the lien remain unpaid after a notice from the Board demanding payment, the Company may sell such shares.

4.10 Variation of Rights

The rights attached to any class of shares may be varied either with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

The rights of shares shall not (unless expressly provided by the rights attached to such shares) be deemed varied by the creation of further shares ranking equally with or subsequent to them.

4.11 Annual and other general meetings

The Company is required to hold an AGM in addition to such other general meetings as the Directors think fit. The type of the meeting will be specified in the notice calling it. Under the Companies Act 2006, the AGM must be held within six months of the financial year end. A general meeting may be convened by the Board on a requisition in accordance with the applicable legislation.

In the case of an AGM, a minimum of 21 clear days' notice is required. The notice must be in writing and must specify the place, the day and the hour of the meeting, and the general nature of the business to be transacted. A notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such. The accidental failure to give notice of a general meeting or the non-receipt of such notice will not invalidate the proceedings at such meeting.

Subject as noted above, all Shareholders are entitled to attend and vote at general meetings. The Articles of Association provide that arrangements may be made for simultaneous attendance at a satellite meeting place or, if the meeting place is inadequate to accommodate all members and proxies entitled to attend, another meeting place may be arranged to accommodate such persons other than that specified in the notice of meeting, in which case Shareholders may be excluded from the principal place.

Holders of Preference Shares have no right to receive notice of, attend or vote at, any general meetings of the Company as a result of holding Preference Shares.

4.12 Limitations on foreign Shareholders

There are no restrictions imposed by the Articles of Association or (subject to the effect of any economic sanctions that may be in force from time to time) by current UK laws which relate only to non-residents of the UK and which limit the rights of such non-residents to hold or (when entitled to do so) vote the Ordinary Shares.

4.13 Notices

A document or information may be sent by the Company in hard copy form, electronic form, by being made available on a website, or by another means agreed with the recipient, in accordance with the provisions set out in the Companies Act 2006. Accordingly, a document or information may only be sent in electronic form to a person who has agreed to receive it in that form or, in the case of a company, who has been deemed to have so agreed pursuant to applicable legislation. A document or information may only be sent by being made available on a website if the recipient has agreed to receive it in that form or has been deemed to have so agreed pursuant to applicable legislation, and has not revoked that agreement.

In respect of joint holdings, documents or information shall be sent to the joint holder whose name stands first in the register.

A member who (having no registered address within the UK) has not supplied an address in the UK at which documents or information may be sent in hard copy form, or an address to which notices, documents or information may be sent or supplied by electronic means, is not entitled to have documents or information sent to him/her.

In addition, the Company may cease to send notices to any member who has been sent documents on two consecutive occasions over a period of at least 12 months and when each of those documents is returned undelivered or notification is received that they have not been delivered.

4.14 Capitalisation of profits

The Company may, by ordinary resolution, upon the recommendation of the Board capitalise all or any part of an amount standing to the credit of a reserve or fund to be set free for distribution provided that amounts from the share premium account, capital redemption reserve or any profits not available for distribution should be applied only in paying up unissued shares to be allotted to members credited as fully paid and no unrealised profits shall be applied in paying up debentures of the Company or any amount unpaid on any share in the capital of the Company.

4.15 Indemnity

Subject to applicable legislation, every current and former Director or other officer of the Company (other than any person engaged by the company as auditor) shall be indemnified by the Company against any liability in relation to the Company, other than (broadly) any liability to the Company or a member of the Group, or any criminal or regulatory fine.

5. Directors' authorities in respect of the Rights Issue

On 25 April 2013, the following resolutions, among others, were passed by the Shareholders of Barclays at the AGM (references to "the Act" are to the Companies Act 2006):

Resolution 18

That, in substitution for all existing authorities but without prejudice to any authority granted pursuant to resolution 20 (if passed), the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to:

- (a) allot shares (as defined in section 540 of the Act) in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,111,721,894, US\$77,500,000, €40,000,000 and ¥4,000,000,000; and
- (b) allot equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £2,143,443,788 (such amount to be reduced by the aggregate nominal amount of ordinary shares allotted or rights to subscribe for or to convert any securities into ordinary shares in the Company granted under paragraph (a) of this resolution 18) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities (as defined in section 560 of the Act) as required by the rights of those securities, or subject to such rights, as the Directors otherwise consider necessary,

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

such authorities to apply (unless previously renewed, varied or revoked by the Company in General Meeting) for the period expiring at the end of the AGM of the Company to be held in 2014 or until the close of business on 30 June 2014, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors may allot shares or grant such rights under any such offer or agreement as if the authority had not expired.

Resolution 19

That, in substitution for all existing powers but without prejudice to any power granted pursuant to resolution 21 (if passed), and subject to the passing of resolution 18, the Directors be generally empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, pursuant to the authority granted by resolution 18 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act, in each case free of the restriction in section 561 of the Act, such power to be limited:

- (a) to the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted by paragraph (b) of resolution 18, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only):
- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities (as defined in section 560 of the Act), as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

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

- (b) to the allotment of equity securities, pursuant to the authority granted by paragraph (a) of resolution 18 and/or an allotment which constitutes an allotment of equity securities by virtue of section 560(3) of the Act (in each case otherwise than in the circumstances set out in paragraph (a) of this resolution) up to a nominal amount of £160,758,284 representing no more than 5% of the issued ordinary share capital as at 28 February 2013; compliance with that limit shall be calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares (as defined in section 560 of the Act) by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such power to apply (unless previously renewed, varied or revoked by the Company in General Meeting) until the end of the Company's next AGM after this resolution is passed (or, if earlier, until the close of business on 30 June 2014) but so that the Company may make offers and enter into agreements before the power expires which would, or might require equity securities to be allotted after the power expires and the Directors may allot equity securities under any such offer or agreement as if the power had not expired.

6. Directors and Senior Managers of the Company

6.1 Directors and Prospective Directors

The Company's Directors are:

Name	Age	Position	Date appointed to Board	Date of expiry of current office
Sir David Walker	73	Chairman	1 September 2012	N/A
Antony Jenkins	52	Group Chief Executive	30 August 2012	N/A
Sir Michael Rake	65	Deputy Chairman and Senior Independent Director	1 January 2008	1 January 2014
David Booth	59	Non-executive Director	1 May 2007	1 May 2016
Tim Breedon CBE	55	Non-executive Director	1 November 2012	1 November 2018
Fulvio Conti	65	Non-executive Director	1 April 2006	1 April 2015
Simon Fraser	54	Non-executive Director	10 March 2009	10 March 2015
Reuben Jeffery III	60	Non-executive Director	16 July 2009	16 July 2015
Dambisa Moyo	44	Non-executive Director	1 May 2010	1 May 2016
Frits van Paasschen	52	Non-executive Director	1 August 2013	1 August 2019
Diane de Saint Victor	58	Non-executive Director	1 March 2013	1 March 2019
Sir John Sunderland	68	Non-executive Director	1 June 2005	1 June 2014

The business address of each of the Directors is 1 Churchill Place, London E14 5HP, United Kingdom.

In addition to the Directors set out above, the following Prospective Directors are expected to join the Board:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Expected effective date of appointment to Board</u>	<u>Expected date of expiry of office</u>
Mike Ashley	58	Non-executive Director	18 September 2013	18 September 2019
Tushar Morzaria	44	Group Finance Director	15 October 2013	N/A

The management expertise and experience of each of the Directors and Prospective Directors is set out below:

Sir David Walker, Chairman

Sir David joined the Board as a Non-executive Director on 1 September 2012 and became Chairman on 1 November 2012.

Sir David began his career in 1961 with Her Majesty's Treasury, where, with a period on secondment to the International Monetary Fund in Washington (1969-1973), he served until 1977. From 1977-1993, Sir David held several key positions at the Bank of England where, in 1981, he became one of four executive directors. From 1988-1992 he was Chairman of the Securities & Investment Board and, *ex officio*, a nominated member of the Council of Lloyd's over the same period. He was a non-executive member of the Court of the Bank of England from 1988-1993. Sir David was a non-executive board member of the former CEEB and subsequently of National Power plc between 1984 and 1994. He was formerly Chairman of Reuters Venture Capital, Vice-Chairman of the Legal and General Group and was Chairman of the London Investment Bankers' Association for four years until June 2004. Sir David joined Morgan Stanley in 1994, where he was Chairman and CEO of Morgan Stanley International, and subsequently Chairman. At the end of 2005, he retired as Chairman but remained a Senior Advisor to Morgan Stanley International until the end of August 2012.

Sir David has been a member of the Group of Thirty since 1993. He is a trustee of the Group of Thirty and was Treasurer from 1997-2004. He is also a trustee of the Cicely Saunders Foundation and was Chairman of the Business Leaders' Group of the East End charity Community Links from 1995-2011.

Since 2007, Sir David has completed two reports and made recommendations in respect of the private equity industry and corporate governance at financial institutions. He also co-led the independent review of the report that the FSA produced into the failure of Royal Bank of Scotland plc and was a member of the four-person committee chaired by Lord Woolf (former Lord Chief Justice) into ethical business conduct in BAE Systems plc, which reported in May 2008.

Sir David is Chairman of the Board Corporate Governance and Nominations Committee, the Board Conduct, Reputation and Operational Risk Committee and the Board Enterprise Wide Risk Committee and a member of the Board Remuneration Committee.

Antony Jenkins, Group Chief Executive

Antony was appointed Group Chief Executive on 30 August 2012, having previously been Chief Executive of Barclays' Retail and Business Banking business since November 2009.

Antony started his career at Barclays in 1983, where he completed the Barclays Management Development Programme before going on to hold various roles in retail and corporate banking. He moved to Citigroup in 1989, working in both London and New York. In January 2006, he rejoined Barclays as Chief Executive of Barclaycard. He joined the Group Executive Committee in November 2009.

Antony has been a member of the Board of Directors of the Institute of International Finance since February 2013. Between February 2009 and February 2013, Antony represented Barclays as a non-executive director on the board of Absa. He was also on the Board of Visa Europe Ltd between October 2008 and December 2011.

Antony is Chairman of the Group Executive Committee.

Sir Michael Rake, Deputy Chairman and Senior Independent Director

Sir Michael joined the Board in January 2008 as a Non-executive Director and was appointed Senior Independent Director in October 2011 and Deputy Chairman in July 2012. Sir Michael spent over 30 years with KPMG, where he was Senior Partner of the UK firm from 1998-2000 and Chairman of KPMG International from 2002-2007.

Sir Michael has been Chairman of BT Group plc since 2007 and a director of McGraw Hill Financial, Inc. since 2007. He became President of the Confederation of British Industry (the “CBI”) in June 2013. Sir Michael was Chairman of the UK Commission for Employment and Skills (2007-2010); director of the Financial Reporting Council (2007-2011); Chairman of the UK Commission for Employment and Skills (2007-2010); Chairman of Business in the Community (2004-2007); and Chairman of easyJet Plc (2010-2013).

Sir Michael is Chairman of the Board Audit Committee and a member of the Board Financial Risk Committee, the Board Corporate Governance and Nominations Committee and the Board Enterprise Wide Risk Committee.

David Booth, Non-executive Director

David joined the Board in May 2007 as a Non-executive Director. David was previously employed by Morgan Stanley & Co from 1982-1992, and again from 1995-1997, where he held various key positions, 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 & Co in 1997, David now manages his own venture capital investments. He is President of East Ferry Investors, Inc.

David is Chairman of the Board Financial Risk Committee and a member of the Board Corporate Governance and Nominations Committee, the Board Remuneration Committee and the Board Enterprise Wide Risk Committee.

Tim Breedon CBE, Non-executive Director

Tim was appointed to the Board as a Non-executive Director with effect from 1 November 2012. Tim was Group Chief Executive of Legal & General Group plc (“L&G”) until June 2012. Tim joined L&G in 1987, holding a number of roles before joining the board as Group Director (Investments) in 2002 and becoming Group Chief Executive in 2006. He remained an adviser to L&G, primarily with responsibilities in connection with Solvency II, until 31 December 2012.

Tim served as Chairman of the Association of British Insurers between July 2010 and July 2012, having been a director since 2007. He was also Chairman of the UK Government’s non-bank lending taskforce, an industry-led taskforce that looked at the structural and behavioural barriers to the development of alternative debt markets in the UK, reporting its conclusions and recommendations in March 2012. Tim was a director of the Financial Reporting Council from 2004-2007. He also served as a director on the board of the Investment Management Association between 2004 and 2005. He was appointed as a non-executive director at the Ministry of Justice in December 2012.

Tim is a member of the Board Financial Risk Committee, the Board Remuneration Committee, the Board Conduct, Reputation and Operational Risk Committee and the Board Audit Committee.

Fulvio Conti, Non-executive Director

Fulvio joined the Board in April 2006 as a Non-executive Director.

Fulvio is currently CEO and General Manager of Enel SpA, the Italian energy company, where he was previously Chief Financial Officer from 1999-2005. During his career, Fulvio held the role of General Manager and Chief Financial Officer of Telecom Italia SpA from 1996-1998 and CFO for various private and government owned entities in Italy, was in charge of finance at Montedison-Compart and was CFO of Montecatini. He has also held positions in finance and operations in various affiliates of Mobil Oil Corporation in Italy and Europe, where he spent his initial career spanning over 20 years. Fulvio has been a director of ENDESA SA since June 2009; director of AON PLC since January 2008; director of the Italian Institute of Technology since October 2011; President of Eurelectric since June 2011; independent director of RCS MediaGroup S.p.A. since April 2012 and Vice President of Confindustria since June 2012.

Fulvio is a member of the Board Audit Committee.

Simon Fraser, Non-executive Director

Simon joined the Board in March 2009 as a Non-executive Director. Simon 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. He held a number of other positions during his career at Fidelity International, including President, European & UK Institutional Business, Global Chief Investment Officer, Chief Investment Officer for Asia Pacific and Chief Investment Officer of the European Investment Group.

Simon remains a director of Fidelity European Values PLC (appointed in 2002) and Fidelity Japanese Values PLC (appointed in 2000). He is Chairman of Foreign and Colonial Investment Trust PLC and Chairman of the Merchants Trust PLC (appointed to both in 2010). He is also a non-executive director of Ashmore Group Plc (appointed in 2011).

Simon is a member of the Board Audit Committee and the Board Remuneration Committee.

Reuben Jeffery III, Non-executive Director

Reuben joined the Board in July 2009 as a Non-executive Director. He has been CEO of Rockefeller & Co Inc. since 2010. He previously served in the US government as Under Secretary of State for Economic, Energy and Agricultural Affairs (2007-2009); as Chairman of the Commodity Futures Trading Commission (2005-2007); and as a special assistant to the President on the staff of the National Security Council (2004-2005). Previous to his government service, Reuben spent eighteen years at Goldman, Sachs & Co. (1983-2001) where he was Managing Partner of Goldman Sachs in Paris (1997-2001) and led the firm's European Financial Institutions Group in London (1992-1997). Prior to joining Goldman Sachs, Reuben was a corporate attorney with Davis Polk & Wardwell.

Reuben is a member of the International Advisory Council of the China Securities Regulatory Commission; member of the Advisory Board of Towerbrook Capital Partners LP; and member of the Board of Directors of the Financial Services Volunteer Corps.

Reuben is a member of the Board Financial Risk Committee and the Board Conduct, Reputation and Operational Risk Committee.

Dambisa Moyo, Non-executive Director

Dambisa joined the Board in May 2010 as a Non-executive Director. She is an international economist and commentator on the global economy, with a background in financial services. Dambisa worked for the World Bank from 1993-1995. 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.

Dambisa is a non-executive director on the boards of SABMiller PLC and Barrick Gold Corporation. She was a non-executive director of Lundin Petroleum AB (publ) until May 2012.

Dambisa is a member of the Board Financial Risk Committee and the Board Conduct, Reputation and Operational Risk Committee.

Frits van Paasschen

Frits van Paasschen was appointed to the Board as a Non-executive Director with effect from 1 August 2013.

Frits has served as a non-executive director for two NYSE listed companies, Jones Apparel Group, Inc. and Oakley, Inc. He is currently CEO and President of Starwood Hotels and Resorts Worldwide, Inc., one of the world's largest hotel companies. Between 2005 and 2007, Frits served as the CEO and President of Coors Brewing Company. Prior to this, he held various senior management positions with Nike, Inc. between 1997 and 2004.

Frits was Vice President, Finance and Planning for Disney Consumer Products between 1995 and 1997. Earlier in his career, he was a consultant at Boston Consulting Group and McKinsey & Company.

Diane de Saint Victor, Non-executive Director

Diane was appointed as a Non-executive Director with effect from 1 March 2013. She is currently General Counsel and Company Secretary and a member of the Group Executive Committee of ABB Limited, the publicly listed international power and automation technologies company based in Switzerland, where her responsibilities include Head of Legal and Integrity Group. She was formerly Senior Vice President and General Counsel of EADS, the European aerospace and defence company.

Diane is a member of the Board Conduct, Reputation and Operational Risk Committee.

Sir John Sunderland, Non-executive Director

Sir John joined the Board as a Non-executive Director in June 2005. Sir John spent forty years with Cadbury Schweppes PLC, where he became Chief Executive in 1996 and Chairman in 2003. He has also held a number of similar positions in trade and professional bodies, including the Chartered Management Institute.

Sir John has been Chairman of Merlin Entertainments Group Limited since 2009; Adviser to CVC Capital Partners; Association Member of BUPA; Governor of Reading University Council; Chancellor of Aston University; and a non-executive director of AFC Energy plc. He was director of the Financial Reporting Council (2004-2011); Deputy President of the Chartered Management Institute until 2009 (President 2007-2008) and Deputy President of the CBI until 2008 (former member and President).

Sir John is Chairman of the Board Remuneration Committee and is a member of the Board Corporate Governance and Nominations Committee, the Board Conduct, Reputation and Operational Risk Committee and the Board Enterprise Wide Risk Committee.

Mike Ashley, Prospective Non-executive Director

Mike Ashley will join the Board as a Non-executive Director with effect from 18 September 2013. He was formerly Head of Quality and Risk Management for KPMG Europe LLP (“ELLP”), which forms part of the KPMG global network, where his responsibilities included the management of professional risks and quality control. He was a member of the ELLP Board and was also KPMG UK’s designated Ethics Partner.

Mike has over 20 years experience as an audit partner, during which he was the lead audit partner for several large financial services groups — most recently HSBC Holdings and Standard Chartered PLC — and also for the Bank of England. He is a member of the Institute of Chartered Accountants in England and Wales’ Ethics Standards Committee, a member of HM Treasury’s Audit Committee and Vice Chair of the European Financial Reporting Advisory Group’s Technical Expert Group.

Mike will be a member of the Board Audit Committee and the Board Financial Risk Committee also with effect from 18 September 2013.

Tushar Morzaria, Prospective Group Finance Director

In July 2013, Barclays announced the appointment of Tushar Morzaria as Group Finance Director. Tushar will join the Barclays Board on 15 October 2013. Tushar was formerly Chief Financial Officer, Corporate and Investment Banking at JP Morgan Chase, where he spent the majority of his career. A qualified chartered accountant, he has previously also held roles in the finance functions of Credit Suisse and SG Warburg.

Tushar will be a member of the Group Executive Committee with effect from 15 October 2013.

6.2 Senior Managers

In addition to the executive management on the Board of the Company, the following senior managers are considered relevant to establishing that the Company has the appropriate expertise and experience for the management of its business:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Eric Bommensath	49	Co-Chief Executive, Corporate and Investment Banking
Peter Estlin	52	Group Financial Controller and Acting Chief Financial Officer
Mark Harding	56	Group General Counsel
Shaygan Kheradpir	52	Chief Operations and Technology Officer
Tom King	52	Co-Chief Executive, Corporate and Investment Banking
Robert Le Blanc	56	Chief Risk Officer
Irene McDermott Brown	53	Group Human Resources Director
Skip McGee	54	Chief Executive, Americas
Maria Ramos	54	Chief Executive, Barclays Africa Group Limited
Sir Hector Sants	57	Head of Compliance and Government and Regulatory Relations
Valerie Soranno Keating	49	CEO, Barclaycard
Ashok Vaswani	52	CEO, Retail and Business Banking

The business address of each of the Senior Managers is 1 Churchill Place, London E14 5HP, United Kingdom, with the exception of Tom King and Skip McGee, whose business address is 745 Seventh Avenue, New York, NY 10019, United States of America, and Maria Ramos, whose business address is Barclays Towers West, 15 Troye Street, Johannesburg 2001, South Africa.

The management expertise and experience of each of the Senior Managers is set out below:

Eric Bommensath, Co-Chief Executive of Corporate and Investment Banking

Eric joined Barclays in London in 1997 as Head of Derivatives, Europe. He was appointed Head of Fixed Income in 2002. Between 2006 and August 2010 he was based in New York and held the additional position of Head of Trading, Americas. He relocated back to London in September 2010 as Head of FICC, responsible for the Fixed Income, Foreign Exchange, Commodities, Emerging Markets and Prime Services trading businesses globally. He also had responsibility for all trading in the EMEA region. In October 2012, he was appointed Head of Markets, responsible for trading and sales across all asset classes. Eric was appointed Co-Chief Executive of Corporate and Investment Banking on 1 May 2013, while maintaining his Markets responsibilities. He joined the Group Executive Committee at the same time.

Prior to joining Barclays, Eric spent eight years at Bankers Trust in London, Tokyo and Paris, and was appointed a managing director in 1995.

Peter Estlin, Group Financial Controller and Acting Chief Financial Officer

Peter is Group Financial Controller and a Co-head of Finance for Barclays, overseeing the Finance function globally. He is also responsible for the Business Portfolio Review for the Group. Peter is Acting Chief Financial Officer until 15 October 2013, when Tushar Morzaria joins the Board as Group Finance Director.

Peter joined Barclays in October 2008 as Group Financial Controller. He also served as CFO for the Retail and Business Banking division for 3 years. Prior to joining Barclays, Peter held a number of senior finance and management positions in the US, Asia and UK, including CFO for Citigroup's Banking division, CFO of Citigroup's Investment Bank based in New York, CAO of Salomon Smith Barney, Asia Pacific, based in Hong Kong and Partner, Coopers & Lybrand in London, where he was responsible for operational risk management services, focusing on clients in the financial services sector.

Peter's non-executive appointments include Chairman of Bridewell Royal Hospital and a Governor of King Edward's School, Witley. He chairs British Airways Advisory Board, is on the Court of Worshipful Company of International Bankers, where he chairs the finance committee, is a Court Assistant of the Worshipful Company of Chartered Accountants and a Freeman of the City of London and the Company of Educators. He is a Fellow of ICAEW.

Mark Harding, Group General Counsel

Mark joined Barclays as Group General Counsel in 2003 and is responsible for legal issues throughout Barclays. Previously, Mark was a Partner in the international law firm, Clifford Chance, where his practice spanned bank finance, capital markets and financial services regulation. He also spent four years at UBS, principally as General Counsel of its investment bank. Mark is past Chairman of the General Counsel 100 Group and of the Board of the International Swaps and Derivatives Association and is a Governor of the Legal Education Foundation. Mark has announced that he has decided to retire from the Company and has agreed to remain in his role to provide an appropriate handover to his successor, Bob Hoyt, who will join the Group in mid-October 2013 and will take up the position of Group General Counsel in early November 2013. Mark has been a member of the Group Executive Committee since November 2009.

Shaygan Kheradpir, Chief Operations and Technology Officer

Shaygan Kheradpir, Ph.D., is Barclays' Chief Operations and Technology Officer. He joined Barclays in January 2011 and is responsible for the technology and operations across Barclays.

From January 2007 to December 2010, Shaygan served as the Executive Vice President and Chief Information & Technical Officer for Verizon Communications where he was responsible for the technology initiatives of all Verizon's business units. Prior to this position, Shaygan was Senior Vice President and Chief Information Officer for Verizon Telecom, with oversight of all information technology initiatives for the company's wireline communications unit.

Shaygan began his communications career with GTE in 1987, where in 1994, he became Vice President of GTE Labs.

Shaygan was a member of the National Institute of Standards & Technology VCAT (Visiting Committee on Advanced Technology), was named to the CIO magazine's Hall of Fame, was an adjunct professor of electrical engineering at Northeastern University, and holds several patents. Shaygan has been a member of the Group Executive Committee since March 2013.

Tom King, Co-Chief Executive of Corporate and Investment Banking

Tom joined Barclays in December 2009 as Head of Investment Banking Division (“IBD”), EMEA, and Co-Head of Global Corporate Finance. In April 2012, he assumed additional responsibility for jointly overseeing the newly combined Corporate Finance/M&A team. He was appointed Deputy Head of IBD in October 2012, and became Head of IBD in March 2013. Tom was appointed Co-Chief Executive of Corporate and Investment Banking on 1 May 2013 and joined the Group Executive Committee, in addition to his Investment Banking responsibilities.

Previously, Tom was at Citigroup where he was most recently Head of Banking for EMEA. Tom joined Salomon Brothers in 1989 and moved to London in 1999 when he was appointed Global Head of Mergers & Acquisitions. He was named Head of EMEA Investment Banking in 2005, and Head of the combined Corporate and Investment Banking business in 2008.

Robert Le Blanc, Chief Risk Officer

Robert joined Barclays in 2002 as Head of Risk Management at Barclays Capital, and has been the Chief Risk Officer for the Group since 2004. Prior to joining Barclays, Robert spent most of his career at JP Morgan in the capital markets, fixed income, emerging market and credit and risk management areas in New York and London. Robert is a non-executive director of Barclays Africa Group Limited (formerly Absa), which is majority owned by Barclays. Robert has been a member of the Group Executive Committee since November 2009.

Irene McDermott Brown, Group Human Resources Director

Irene is Barclays’ Group Human Resources Director. After six years with BP, she joined Barclays in 2011 as HR Director for the Functions, becoming Barclays’ Interim Group Human Resources Director in October 2012 before being formally appointed to the role in July 2013, when she also joined the Group Executive Committee.

Prior to BP, Irene held senior roles at Cable & Wireless and Barclays Private Clients, as well as leading her own consultancy business.

Skip McGee, Chief Executive, Americas

Skip joined Barclays in September 2008 as Head of Global Investment Banking Division (“Global IBD”). He assumed additional responsibility as Chief Executive of Corporate and Investment Banking, Americas in October 2012, and became Chairman of Global IBD in March 2013. He assumed his current role in May 2013, when he also joined the Group Executive Committee.

Prior to Barclays, Skip spent 16 years at Lehman Brothers where he served as Head of Global IBD at Lehman Brothers, a position he held since 2002. He served as a member of Lehman Brothers’ Executive Committee and Chairman of the IBD Executive Committee having also been Head of Lehman Brothers’ Global Natural Resources and Power Investment Banking groups, and a member of the Operating Committee of Investment Banking.

Skip sits on the Advisory Council for the Bendheim Center for Finance at Princeton University and on the Advisory Council for the Red McCombs School of Business at the University of Texas.

Maria Ramos, Chief Executive Officer, Barclays Africa Group Limited

Maria Ramos is the Chief Executive Officer of Barclays Africa Group Limited (formerly Absa), which is majority owned by Barclays. Prior to joining Absa on 1 March 2009, she was the Group Chief Executive of Transnet Limited, the state-owned South African freight transport and logistics service provider. This was after a term as Director-General of the National Treasury of South Africa (formerly the Department of Finance). She currently serves on the executive committees of the World Economic Forum’s International Business Council, Business Leadership South Africa and the Banking Association of South Africa. Maria joined the Group Executive Committee in November 2009.

Sir Hector Sants, Head of Compliance and Government and Regulatory Relations

Sir Hector joined Barclays in January 2013 as Head of Compliance and Government and Regulatory Relations. Prior to that Sir Hector was the Chief Executive of the FSA from July 2007 until July 2012. He was also Deputy Governor Designate of the Bank of England and CEO designate of the PRA between June 2010 and July 2012. During this period he served as a member of the interim Financial Policy Committee

of the Bank of England. He joined the FSA in May 2004 as a managing director, prior to which he was Chief Executive Officer of Europe, Middle East and Africa at Credit Suisse First Boston. Sir Hector is also Chair of the Said Business School at Oxford University, a role he was appointed to in 2010. Sir Hector has been a member of the Group Executive Committee since January 2013.

Valerie Soranno Keating, CEO, Barclaycard

Valerie is the CEO of Barclaycard. She joined Barclaycard in June 2009 after a 16 year career at American Express, where she was a member of the Global Management team and held a variety of senior executive positions.

Prior to American Express, Valerie spent eight years as a management consultant with A.T. Kearney. Valerie is a member of the Board of Visa Europe, chairs the Barclays Global Payment Council and is Chairman of the board of Barclays Bank Delaware. Valerie has been a member of the Group Executive Committee since October 2012.

Ashok Vaswani, CEO, Retail and Business Banking

Ashok is responsible for retail and business products and services. Ashok joined Barclays in 2010, managing the credit card business across the UK, Europe and the Nordics, becoming Chairman of Entercard. He went on to manage Barclays in Africa and his most recent role is CEO for Retail and Business Banking, covering Europe, Africa and the UK. Prior to Barclays, Ashok was a Partner at Brysam Global Partners, a New York City based private equity firm focused on building retail financial service businesses in emerging markets. Ashok spent 20 years with Citigroup working in Asia, Middle East, Central Asia, Europe and North America, his last position being CEO of the Global Consumer Bank in Asia Pacific. Ashok is on the advisory board of S. P. Jain Institute of Management and has served on the advisory board of Insead Singapore and Visa Asia Pacific. He is founder director of Lend-a-Hand, a non-profit organisation focused on economic development in India. Ashok represents Barclays as a non-executive director on the board of Barclays Africa Group Limited (formerly Absa), having been appointed in February 2013. Ashok has been a member of the Group Executive Committee since October 2012.

6.3 Other Directorships

Set out below are the directorships and partnerships held by the Directors, Prospective Directors and Senior Managers (other than, where applicable, directorships held in the Company and other members of the Group), within the past five years.

Directors

<u>Name</u>	<u>Current Directorships/Partnerships</u>	<u>Previous Directorships/Partnerships</u>
Sir David Walker	Consultative Group on International Economic and Monetary Affairs, Inc. (Group of Thirty) Cicely Saunders International	National Bank of Kuwait RVC Holdings Limited RVC Europe Limited Sofius Capital Limited Sofius Property Limited Sofius Investments 1 Limited Sofius Investments 2 Legal & General Group plc
Antony Jenkins	The Institute of International Finance	VISA Europe Limited VISA Europe Services Inc Motability Operations Group plc
Sir Michael Rake	Advisory Council for Business for New Europe Wellington College Majid Al Futtaim Group Interests (Chairman) BT Group plc (Chairman) McGraw Hill Financial, Inc. Guidelines Monitoring Committee — BVCA (Chairman) British Argentine Chamber of Commerce Henley Festival Limited Diamond Jubilee Pageant (Rights) Limited MDVR Services Limited Oxford University Centre for Corporate Reputation (Advisory Board member) Royal National Institute of Blind People (RNIB) (Vice President) CBI (President) The Prince of Wales's Charitable Foundation	Guards Polo Club Holdings Limited. The Financial Reporting Council Limited. UK Commission for Employment and Skills easyJet Plc (Chairman) The Wellington Academy Trust
David Booth	East Ferry Investors, Inc.	—
Tim Breedon	Ministry of Justice Departmental Board	Legal & General Group plc Legal & General UK Select Investment Trust PLC Legal & General Investment Management (Holdings) Limited Legal & General Partnership Holdings Limited Legal & General Middle East Limited Legal & General Assurance Society Limited The Association of British Insurers (Chairman)
Fulvio Conti	Enel SpA AON plc Confindustria (Vice President) Endesa SA Eurelectric aisbl (Honorary President) Italian Institute of Technology RCS MediaGroup S.p.A	—
Simon Fraser	International Partners Limited 12 Redcliffe Square Management Limited (Chairman) Triptych SA H.Lunden Holding AB Fidelity Japanese Values PLC Fidelity European Values PLC The Merchants Trust PLC Foreign and Colonial Investment Trust PLC (Chairman) The Merchants Trust PLC (Chairman) St Andrew's University's 600 th Anniversary Campaign Board Ashmore Group plc	FIL Investment Management Limited FIL Life Insurance Limited

<u>Name</u>	<u>Current Directorships/Partnerships</u>	<u>Previous Directorships/Partnerships</u>
Reuben Jeffrey III	Financial Services Volunteer Corps International Advisory Council (IAC) of the China Securities Regulatory Commission (CSRC) (Advisory Board member) J Rothschild Capital Management Limited Rockefeller & Co., Inc Rockefeller Financial Services, Inc TowerBrook Capital Partners LP (Advisory Board member)	Transatlantic Holdings Inc TASC Inc (Advisory Board member)
Dambisa Moyo	SABMiller PLC Mobile Payment Solutions Ltd Zimba Ltd Barrick Gold Corporation Mildstorm Ltd	Zimba Capital Partners LLP Zimba Capital Partners Ltd Lundin Petroleum AB (publ) Moyo (Holdings) LLP
Frits van Paasschen	Starwood Hotels and Resorts Worldwide Inc	—
Diane de Saint Victor	ABB Asea Brown Boveri Ltd Power-One, Inc.	Thomas & Betts Corporation Baldor Electric Company Brock Acquisition Corporation Edison Acquisition Corporation Verdi Acquisition Corporation
Sir John Sunderland	CVC Capital Partners Peninsula Heights Freehold Limited Peninsula Heights Management Company Limited John Sunderland Associates Ltd Merlin Entertainments Group Limited AFC Energy plc	The Financial Reporting Council Limited Chartered Management Institute Camelot Entertainments plc

Prospective Directors

<u>Name</u>	<u>Current Directorships/Partnerships</u>	<u>Previous Directorships/Partnerships</u>
Mike Ashley	—	KPMG LLP KPMG Europe LLP KPMG Audit PLC KPMG Europe Cooperatie UA KPMG Europe BV KPMG United Kingdom PLC KPMG USCMG Ltd.
Tushar Morzaria	—	J.P. Morgan Broker-dealer Holdings Inc JPMorgan International Inc Bank One International Holdings Corporation JPMorgan International Finance Ltd J.P. Morgan Overseas Capital Corporation J.P. Morgan Chase Finance Limited J.P. Morgan Securities plc J.P. Morgan Bank Dublin plc Bear Stearns International Trading Limited BSG Insurance Holdings Limited J.P. Morgan Markets Limited Rooftop Mortgages Limited Contingency Insurance Company Limited (The) Malvern Insurance Company Limited Minster Insurance Company Limited Minster Management Services Limited J.P.Morgan Pension Trustees Limited Progress Insurance Company Limited The Bear Stearns Companies LLC (Manager) Euvis S.p.A

Senior Managers

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
Eric Bommensath	—	—
Peter Estlin	Bridewell Royal Hospital (Chairman and Trustee) British Airways Advisory Board KES Enterprise Limited	—
Mark Harding	London City Mission The Legal Education Foundation (Governor)	—
Tom King	—	—
Shaygan Kheradpir	Cornell University Engineering Advisory Committee	YMCA Greater New York Verizon Data Services Inc US National Institute of Standards and Technology — Visiting Committee on Advanced Technology Radiospire Networks Inc
Robert Le Blanc	Woodview Management Limited Shore Lane LLC (Manager)	—
Irene McDermott Brown	—	—
Skip McGee	University Cottage Club (Member of Board of Governors) Bendheim Center for Finance Princeton University (Advisor)	—
Maria Ramos	Compagnie Financière Richemont SA	Transnet Limited Remgro Limited Sanlam Limited SAB Miller PLC
Sir Hector Sants	Saïd Business School (Chairman) British Bankers' Association	The Financial Services Authority (Chief Executive)
Valerie Soranno Keating	Visa Europe Limited	—
Ashok Vaswani	Lend-a-Hand India Inc (Advisory Board) S.P. Jain Institute of Management (Advisory Board)	Insead School of Management Singapore Visa International (Asia-Pacific) Ltd Visa UK Limited Brysam Global Partners LLC The UK Cards Association Limited

6.4 Except as disclosed in paragraph 6.5 below, within the period of five years preceding the date of this Prospectus none of the Directors, Prospective Directors or Senior Managers:

- (a) has any convictions in relation to fraudulent offences;
- (b) has been a director or senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership or liquidation of such company; or
- (c) has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

6.5 In respect of paragraph 6.4(b) above:

- (a) Skip McGee was head of Investment Banking of Lehman Brothers when it filed for bankruptcy protection in September 2008;
- (b) Dambisa Moyo was a designated member or director of Zimba Partners LLP, Zimba Capital Partners Ltd and Moyo (Holdings) LLP when they were each dissolved (following a voluntary strike off). To the best of Dambisa Moyo's knowledge, none of these entities were either insolvent or owed any amounts to creditors at the time of their dissolution.
- (c) Tim Breedon was a director of Legal & General UK Select Investment Trust PLC when it was dissolved (following a voluntary members' liquidation). To the best of Tim Breedon's knowledge, Legal & General UK Select Investment Trust PLC was neither insolvent nor owed any amounts to creditors at the time of its dissolution.
- (d) Mike Ashley was a director of KPMG USCMG Ltd when it was dissolved (following a solvent members' voluntary liquidation). To the best of Mike Ashley's knowledge, KPMG USCMG Ltd was neither insolvent nor owed any amounts to creditors at the time of its dissolution; and

- (e) Sir David Walker was a director of RVC Europe Limited, Sofius Capital Limited, Sofius Property Limited and Sofius Investments 2 when they were each dissolved (following either a solvent members' voluntary liquidation or a voluntary strike off). To the best of Sir David Walker's knowledge, none of these companies were either insolvent or owed any amounts to creditors at the time of their dissolution.

None of the Directors, Prospective Directors or Senior Managers has any potential conflicts of interests between their duties to the Company and their private interests or other duties.

7. Directors' Prospective Directors' and Senior Managers' shareholdings

7.1 The interests (all of which are beneficial unless stated otherwise) of the Directors, Prospective Directors and Senior Managers and their immediate families in the share capital of the Company (including any interests held through Sharepurchase and the GSP nominee):

- (a) which have or will be required to be notified to the Company pursuant to the Disclosure and Transparency Rules; or
- (b) being interests of a person connected (within the meaning of the Disclosure and Transparency Rules) with a Director, Prospective Director or Senior Manager which would, if such connected person were a Director, Prospective Director or Senior Manager, be required to be disclosed under (a) above and the existence of which was known to or could, with reasonable diligence, be ascertained by the Director, Prospective Director or Senior Manager,

were as at the Record Date (being the latest practicable date prior to publication of this Prospectus), and are expected to be immediately following the Rights Issue, as follows:

	Number of Ordinary Shares as at the Record Date	% of Ordinary Shares as at the Record Date	Number of Ordinary Shares following the Rights Issue ⁽¹⁾	% of Ordinary Shares following the Rights Issue
Directors				
Sir David Walker	92,014	0.0007%	115,017	0.0007%
Antony Jenkins ⁽²⁾	2,452,338	0.0190%	3,065,422	0.0190%
Sir Michael Rake	48,445	0.0004%	60,556	0.0004%
David Booth	97,849	0.0008%	122,311	0.0008%
Tim Breedon	5,343	0.0000%	6,678	0.0000%
Fulvio Conti	64,668	0.0005%	80,835	0.0005%
Simon Fraser	93,395	0.0007%	116,743	0.0007%
Reuben Jeffery III ⁽³⁾	132,660	0.0010%	165,825	0.0010%
Dambisa Moyo	22,251	0.0002%	27,813	0.0002%
Frits van Paasschen ⁽⁴⁾	2,000	0.0000%	2,500	0.0000%
Diane de Saint Victor	3,950	0.0000%	4,937	0.0000%
Sir John Sunderland	101,598	0.0008%	126,997	0.0008%
Prospective Directors				
Mike Ashley	—	—	—	—
Tushar Morzaria	—	—	—	—
Senior Managers				
Eric Bommensath	—	—	—	—
Peter Estlin	55,545	0.0004%	69,431	0.0004%
Mark Harding	47,743	0.0004%	59,678	0.0004%
Tom King	—	—	—	—
Shaygan Kheradpir	179,305	0.0014%	224,131	0.0014%
Robert Le Blanc ⁽²⁾	529,497	0.0041%	661,871	0.0041%
Irene McDermott Brown	—	—	—	—
Skip McGee ⁽⁵⁾	1,406,465	0.0109%	1,758,081	0.0109%
Maria Ramos	—	—	—	—
Sir Hector Sants	723	0.0000%	903	0.0000%
Valerie Soranno Keating	142,070	0.0011%	177,587	0.0011%
Ashok Vaswani	42,199	0.0003%	52,748	0.0003%

(1) Assumes that each Director and Senior Manager takes up their full entitlement to their rights in New Ordinary Shares pursuant to the Rights Issue.

(2) In addition to their respective shareholdings in the Company, Antony Jenkins and Robert Le Blanc each hold 1,000 shares in Barclays Africa Group Limited.

(3) Reuben Jeffery III holds 100,348 of his shares in the form of ADSs.

(4) Frits van Paasschen holds his shares in the form of ADSs.

(5) Skip McGee holds 6,858 of his shares in the form of ADSs.

7.2 As at the Record Date (being the latest practicable date prior to publication of this Prospectus), the Directors and Prospective Directors held options and awards to acquire Ordinary Shares under the Barclays Employee Share Plans (excluding Sharepurchase and the GSP nominee) as follows:

Award Name	Date of grant	Maximum number of shares/options under award ¹	Exercise price (if any)	Period of exercise (if relevant)
Antony Jenkins				
Barclays LTIP — 2012-2014	25/05/12	1,052,347	—	—
Barclays LTIP — 2012-2014	29/08/12	1,266,715	—	—
Barclays LTIP — 2013-2015	18/03/13	1,428,107	—	—
Share Value Plan 2011	15/03/11	142,685	—	—
Share Value Plan 2012	16/03/12	614,064	—	—
Share Value Plan 2012	29/08/12	1,995,237	—	—

(1) The interests shown above in the table are the maximum number of Ordinary Shares that may be received under each plan. The actual number of shares that may be released may be less than the maximum shown. The release of Ordinary Shares under Barclays LTIP awards is dependent on performance conditions.

As at the Record Date (being the latest practicable date prior to publication of this Prospectus), the Senior Managers held options and awards to acquire a maximum of 23,851,330 Ordinary Shares under the Barclays Employee Share Plans (excluding Sharepurchase and the GSP nominee).

7.3 Save as set out in this Part VIII, following the Rights Issue no Director, Prospective Director or Senior Manager will have any interest in the share capital of the Company or any of its subsidiaries.

8. Remuneration details, service agreements and letters of appointment

8.1 Remuneration

In relation to the financial year ended 31 December 2012 the aggregate total remuneration paid (including contingent or deferred compensation) and the benefits in kind granted to the Directors, Prospective Directors and Senior Managers by members of the Group was £27.4 million.* Of this amount, the remuneration paid to the Directors was as follows:

<u>Directors⁽¹⁾⁽²⁾</u>	<u>Fees/Basic Salary £000</u>	<u>Bonus £000</u>	<u>Benefits £000</u>	<u>Other⁽³⁾ £000</u>	<u>Total £000</u>
Sir David Walker ⁽⁴⁾	167	—	6	—	173
Antony Jenkins	833	—	81	1,467	2,381
Sir Michael Rake	220	—	—	—	220
David Booth	170	—	—	—	170
Tim Breedon ⁽⁵⁾	18	—	—	—	18
Fulvio Conti	110	—	—	—	110
Simon Fraser	140	—	—	—	140
Reuben Jeffery III	105	—	—	—	105
Dambisa Moyo	120	—	—	—	120
Sir John Sunderland	161	—	—	—	161

* This includes remuneration and benefits of R16,165,088 (c.£1.3 million) awarded to Maria Ramos, which has been individually disclosed in the Absa Group Limited remuneration report for 2012.

- (1) Frits van Paasschen and Diane de Saint Victor were appointed as Directors in 2013 and are therefore not included in the above table.
- (2) Mike Ashley and Tushar Morzaria are Prospective Directors, have not taken up their appointment as Directors at the date of this Prospectus and are therefore not included in the above table.
- (3) The figure shown under “Other” for Antony Jenkins represents the “value at award” of the Barclays LTIP 2013-2015 award made to him. For the purposes of assessing the “value at award” (taking into account the range of possible outcomes) a value of one-third of the maximum value assuming no share price movement has been ascribed to the Barclays LTIP 2013-2015 award.
- (4) Sir David Walker was appointed to the Board as a Non-executive Director with effect from 1 September 2012 and as Chairman from 1 November 2012. He received fees for the period 1 September 2012 to 31 October 2012 at the rate of £250,000 per annum, and from 1 November 2012 at the rate of £750,000 per annum. Sir David is also entitled to private medical cover and the use of a company vehicle and driver when required for business purposes.
- (5) Tim Breedon joined the Board as a Non-executive Director on 1 November 2012.

In relation to the financial year ended 31 December 2012 the total amount set aside or accrued by the Group to provide pension, retirement or other benefits (including cash in lieu of pension) to the Directors, Prospective Directors or Senior Managers not including amounts set out in the table above was £0.7 million.

8.2 Service agreements

Each of the Executive Director and Tushar Morzaria (being a Prospective Director) has entered into a service agreement with the Company as follows:

Executive Director and Prospective Directors	Effective Date	Notice period from the Director	Notice period from the Company	Group liability in the event of early termination
Antony Jenkins	30 August 2012	6 months	12 months	12 months' contractual remuneration ⁽¹⁾
Tushar Morzaria	15 October 2013	6 months	12 months	12 months' contractual remuneration ⁽¹⁾

(1) On notice from the Company, Antony Jenkins and Tushar Morzaria are each entitled to receive 12 months' salary payable and continuation of medical and pension benefits while an employee. They have no automatic contractual entitlement to bonus on termination, but this may be considered.

8.3 Letters of appointment

Each Non-executive Director and Mike Ashley (being a Prospective Director) has entered into letters of appointment with the Company as follows:

Non-executive Director and Prospective Directors	Effective Date	Notice period from the Director	Notice period from the Company	Group liability in the event of early termination
Chairman				
Sir David Walker	1 September 2012 (non-executive Director), 1 November 2012 (Chairman)	6 months	12 months	12 months' fees and contractual benefits
Non-executive Directors				
Sir Michael Rake	1 January 2008	6 months	6 months	6 months' fees
Mike Ashley	18 September 2013	6 months	6 months	6 months' fees
David Booth	1 May 2007	6 months	6 months	6 months' fees
Tim Breedon	1 November 2012	6 months	6 months	6 months' fees
Fulvio Conti	1 April 2006	6 months	6 months	6 months' fees
Simon Fraser	10 March 2009	6 months	6 months	6 months' fees
Reuben Jeffery III	16 July 2009	6 months	6 months	6 months' fees
Dambisa Moyo	1 May 2010	6 months	6 months	6 months' fees
Frits van Paasschen	1 August 2013	6 months	6 months	6 months' fees
Diane de Saint Victor	1 March 2013	6 months	6 months	6 months' fees
Sir John Sunderland	1 June 2005	6 months	6 months	6 months' fees

There are no existing or proposed service agreements between any Director, Prospective Director or Senior Manager and any member of the Group providing for benefits upon termination of employment.

9. Significant shareholdings

9.1 As at the Record Date (being the latest practicable date prior to publication of this Prospectus), the Company had been notified that the following persons (other than the Directors, Prospective Directors and Senior Managers) hold directly or indirectly 3% or more of the Company's voting rights of the Company which are notifiable under the Disclosure and Transparency Rules or will do so immediately following the Rights Issue:

Name	Number of Ordinary Shares as at the Record Date	% of voting rights in respect of Ordinary Shares as at the Record Date	Number of Ordinary Shares following the Rights Issue ⁽¹⁾	% of voting rights in respect of Ordinary Shares following the Rights Issue
Qatar Holding LLC	813,964,552	6.3%	1,017,455,690	6.3%
BlackRock Inc ⁽²⁾	805,969,166	6.3%	1,007,461,457	6.3%
The Capital Group Companies Inc	492,653,250	3.8%	615,816,562	3.8%

(1) Assumes no sale or purchase of any Ordinary Shares held by such Shareholders, that the Shareholders take up all of their rights in New Ordinary Shares pursuant to the Rights Issue and the Shareholders do not participate in any sub-underwriting.

(2) Total shown includes 8,003,236 contracts for difference to which voting rights are attached.

Save as set out in this paragraph 9.1, the Company is not aware of any person who holds, or who will immediately following Admission hold, as shareholder (within the meaning of the Disclosure and Transparency Rules), directly or indirectly, 3% or more of the voting rights of the Company.

9.2 None of the Shareholders referred to in paragraph 9.1 above has different voting rights from any other holder of Shares in respect of any Shares held by them.

9.3 The Company is not aware of any:

- person who directly or indirectly, jointly or severally, will own or could exercise control over the Company; or
- arrangements the operation of which may at a subsequent date result in a change of control of the Company.

10. Corporate governance

As at the date of this Prospectus, Barclays is in compliance with the provisions set out in the UK Corporate Governance Code.

Provision C.3.7 of the UK Corporate Governance Code requires that the external audit contract is put out to tender at least every ten years. This requirement is a new provision in the UK Corporate Governance Code that applies for financial years beginning on or after 1 October 2012. Barclays external audit contract has not been re-tendered at any time in the past ten years. Given the complexity of the Barclays audit and the significant work that would be involved in putting the audit out to tender, Barclays is considering how it might comply with this provision in future, taking into account the nonbinding transitional provisions suggested by the Financial Reporting Council which were issued along with the revised UK Corporate Governance Code.

Provision E.2.3 of the UK Corporate Governance Code requires that the Chairman should arrange for all Directors to attend the Annual General Meeting. While such arrangements were made, Reuben Jeffery III and Diane de Saint Victor were unable to attend the 2013 Annual General Meeting owing to prior commitments.

Roles and Responsibilities of the Board

Barclays aims to have a majority of independent Non-executive Directors. As at the date of this Prospectus, the Board is comprised of the Chairman, one Executive Director and 10 Non-executive Directors. All of the Non-executive Directors are considered to be independent.

The principal responsibility of the Board is to promote the long term success of Barclays by creating and delivering sustainable shareholder value. The Board leads and provides direction for management by setting strategy and overseeing its implementation by management. In setting and monitoring the execution of Barclays' strategy, consideration is given to the impact that those decisions will have on Barclays' obligations to various stakeholders, such as Shareholders, employees, suppliers and the community.

The Board is responsible for ensuring that an effective system of internal control is maintained 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 addition, the Board is responsible for determining and promoting Barclays' collective vision of its purpose, values, culture and behaviours.

Specific key decisions and matters have been reserved for approval by the Board. These include decisions on the Group's strategy, approval of risk appetite, capital and liquidity matters, major acquisitions, mergers or disposals, Board membership, financial results and governance issues.

Roles on the Board

The roles of the Chairman and Group Chief Executive are separate and the Board has agreed their respective responsibilities.

The Chairman's main responsibility is to lead and manage the work of the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman will lead the Board to ensure its effectiveness in all aspects of its role, including setting its agenda to ensure that adequate time is available for substantive discussion on strategy, performance and key value issues. The Deputy Chairman will deputise for and support the Chairman in respect of the responsibilities and authorities conferred upon him.

The Senior Independent Director provides a sounding board for the Chairman in the delivery of his objectives. He also serves as a trusted intermediary for the Directors, when necessary. The Senior

Independent Director is available to shareholders if they have any concerns that they cannot resolve through the normal channels of contact or if such contact is inappropriate. In periods of stress, he or she will work with the Chairman and other Directors/shareholders as required to resolve significant issues.

The Group Chief Executive has responsibility for recommending the Group's strategy to the Board and for implementing the strategy agreed by the Board, making and implementing operational decisions and managing the business day-to-day.

Non-executive Directors are independent of management. Their role is to effectively and constructively challenge management and monitor the success of management within the risk appetite and control framework set by the Board.

Succession Planning and Appointment of Directors

The Board recognises the need to ensure that the Board and executive management are always well resourced, with the right people in terms of skills and experience to deliver the Company's strategy. Board composition is regularly reviewed to ensure the Board is refreshed progressively. Factors considered include length of tenure, background, industry and geographical experience and diversity.

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.

All Directors are subject to annual re-election by Shareholders at the Annual General Meeting.

External Appointments and Conflicts of Interest

Directors have a 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. The Board deals with each appointment on its individual merit and takes into consideration all circumstances.

Prior to taking on additional responsibilities or external appointments, Directors are obliged to obtain authorisation and it is their responsibility to ensure that they will be able to meet the time commitment expected of them in their role at Barclays. Executive Directors may take up only one FTSE 100 non-executive directorship and are allowed to retain any fees they receive for such an appointment.

Evaluation of Board Performance

A formal and rigorous Board review is undertaken on an annual basis. This review has been externally facilitated since 2004 and usually takes the form of a questionnaire followed by structured interviews with the Directors and members of the Executive Committee.

The initial results are reported to and discussed by the Board. A detailed action plan is then discussed and agreed by the Board Corporate Governance and Nominations Committee and endorsed by the Board.

The Chairman holds private meetings with each Director to discuss the results and to agree developmental areas relating to their own individual performance. Chairmen of Board Committees are responsible for the evaluation of their Committees.

Feedback on the Chairman's performance is provided to the Senior Independent Director, who discusses the results privately with the other Non-executive Directors and the Group Chief Executive before meeting with the Chairman.

The Board reports on Board performance and governance in an annual evaluation statement, providing meaningful and high-level information to assist Shareholders' understanding of the main features of the process and how the issues raised are being addressed.

Board Meetings and Attendance

The Board meets regularly and there are eight scheduled meetings each year, including an annual strategy meeting. When necessary, and circumstances dictate, additional Board meetings are held. All Directors are expected to attend each meeting, unless there are exceptional circumstances that prevent them from doing so. Where Directors are unable to attend meetings, they are encouraged to give the Chairman their views or comments on the matters to be discussed.

The Chairman meets privately with the non-executive Directors before each scheduled Board meeting to discuss any matters they wish to raise.

The Board is collectively responsible for setting its own agenda. In practice, an annual calendar of business is circulated and all Directors have the opportunity to propose further items via the Chairman and Company Secretary.

Independent Advice

Independent professional advice is available, on request, to all Directors at Barclays' expense.

Induction and Ongoing Training

On appointment to the Board and to Board Committees, all Directors are provided with a bespoke induction programme to further their understanding and their knowledge of Barclays, its operations and staff. The initial induction programme is supplemented with a programme of business visits over a period of 12-18 months. Barclays also offers a programme of ongoing professional development for existing Directors.

Board Committees

To assist the Board in carrying out its 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 of independent Non-executive Directors and, in some cases the Chairman. The Chairman of each Board Committee reports to the Board on the matters discussed at Board Committee meetings. Each Board Committee has agreed terms of reference approved by the Board, which can be found on Barclays' website.

The main Board Committees are the Board Audit Committee, the Board Remuneration Committee, the Board Enterprise Wide Risk Committee, the Board Financial Risk Committee, the Board Conduct, Reputation and Operational Risk Committee and the Board Corporate Governance and Nominations Committee.

Each Board Committee has access to independent expert advice at Barclays' expense.

Board Audit Committee

Current Members

The Board Audit Committee is comprised of Non-executive Directors who the Board considers to be independent. The current members are Sir Michael Rake (Chairman), Tim Breedon, Fulvio Conti and Simon Fraser. Sir Michael Rake is designated a financial expert for the purposes of the Sarbanes-Oxley Act, although each member of the Committee has a depth of financial and financial services experience on which to draw.

Role of Board Audit Committee

There are eight scheduled Board Audit Committee meetings per year. When necessary, and circumstances dictate, additional meetings are held. The lead audit partner of the external auditors, PricewaterhouseCoopers LLP, attends each meeting.

Ahead of each Committee meeting the Committee Chairman holds a private meeting with the members of the Committee at which the members discuss any matters they wish to raise at the meeting. The Committee Chairman maintains regular contact with management including the Group Finance Director and Chief Internal Auditor.

The Committee's responsibilities include:

- monitoring the integrity of the Group's financial reporting and satisfying itself that any significant financial judgements are made by management are sound;
- monitoring the Group's internal controls, including internal financial controls; and
- monitoring and reviewing the activities and performance of the internal and external auditor, including monitoring their independence and objectivity.

Board Remuneration Committee

Current Members

The Board Remuneration Committee is comprised of Non-executive Directors who the Board considers to be independent, and the Group Chairman. The current members are Sir John Sunderland (Chairman), David Booth, Tim Breedon, Simon Fraser and Sir David Walker.

Role of Board Remuneration Committee

The Board Remuneration Committee usually meets at least four times a year. When necessary, and circumstances dictate, additional meetings are held.

The Committee is responsible for setting the over-arching objectives, principles and parameters of remuneration policy across the Group. It has specific responsibility for approving remuneration of Executive Directors, members of the Group and business Executive Committees and any other employees with total remuneration of £1 million or more. It considers and approves buy-outs of forfeited rights for new hires of £1 million or more, and packages on termination where the total value is £1 million or more. The Committee also reviews the policy relating to all remuneration schemes including pensions, and considers and approves policies to promote the alignment of the interests of shareholders and employees and is also responsible for the selection and appointment of remuneration consultants.

Board Enterprise Wide Risk Committee

Current Members

The Board Enterprise Wide Risk Committee is comprised of Non-executive Directors who the Board considers to be independent, and the Group Chairman. The current members are Sir David Walker (Chairman), David Booth, Sir Michael Rake and Sir John Sunderland.

Role of Board Enterprise Wide Risk Committee

The Board Enterprise Wide Risk Committee, which was formed in early 2013, plans to meet at least twice a year. When necessary, and circumstances dictate, additional meetings will be held.

The Committee's principal purpose is to review, on behalf of the Board, the aggregate risk profile of the Group, including performance against risk appetite for all risk types, and ensure both risk profile and risk appetite remain appropriate.

Board Financial Risk Committee

Current Members

The Board Financial Risk Committee is comprised of Non-executive Directors who the Board considers to be independent. The current members are David Booth (Chairman), Tim Breedon, Reuben Jeffery III, Dambisa Moyo and Sir Michael Rake. The Committee individually and collectively has experience in finance and financial risk management.

Role of Board Financial Risk Committee

The Board Financial Risk Committee usually meets at least five times a year. When necessary, and circumstances dictate, additional meetings are held.

The Committee's principal purpose is to review, on behalf of the Board, management's recommendations on Financial Risk. Its responsibilities include:

- considering and recommending to the Board the Group's risk appetite for financial risk;
- reviewing, on behalf of the Board, the Group's risk profile for financial risk; and
- commissioning, receiving and considering reports on key financial risk issues.

Financial Risk is defined as credit, market, tax and funding (capital and liquidity) risk.

Board Conduct, Reputation and Operational Risk Committee

Current Members

The Board Conduct, Reputation and Operational Risk Committee is comprised of Non-executive Directors who the Board considers to be independent, and the Group Chairman. The current members are Sir David Walker (Chairman), Tim Breedon, Reuben Jeffery III, Dambisa Moyo, Diane de Saint Victor and Sir John Sunderland.

Role of Board Conduct, Reputation and Operational Risk Committee

The Board Conduct, Reputation and Operational Risk Committee, which was formed in early 2013, plans to meet four times a year. When necessary, and circumstances dictate, additional meetings will be held.

The principal purpose of the Committee is to review, on behalf of the Board, management's recommendations on conduct, reputation and operational risk. The Committee also reviews and monitors the effectiveness of Barclays' Citizenship strategy, including the management of Barclays' economic, social and environmental contribution.

Board Corporate Governance and Nominations Committee

Current Members

The Board Corporate Governance and Nominations Committee is comprised of Non-executive Directors who the Board considers to be independent, and the Group Chairman. The current members are Sir David Walker (Chairman), David Booth, Sir Michael Rake and Sir John Sunderland.

Role of Board Corporate Governance and Nominations Committee

The Board Corporate Governance and Nominations Committee usually meets at least three times a year. When necessary, and circumstances dictate, additional meetings are held.

The Committee is responsible for reviewing the composition of the Board and Board Committees to ensure they are properly constituted and balanced in terms of skills, experience and diversity. In addition to this it:

- recommends to the Board the appointment of new Directors;
- considers succession plans for the Chairman, Group Chief Executive and other key positions, such as roles on the Executive Committee and other senior roles;
- monitors corporate governance issues and developments to ensure that Barclays is in line with best practice guidelines; and
- agrees and monitors the annual Board Effectiveness Review and tracks any actions arising.

11. Significant subsidiaries

11.1 The Company is the ultimate holding company of the Group, the principal activities of which are financial services, including personal banking, credit cards, corporate and investment banking and wealth and investment management.

11.2 The Company has the following significant subsidiaries and subsidiary undertakings (each of which is considered by the Company to be likely to have a significant effect on the assessment of its assets and liabilities, financial position or profits and losses):

<u>Name of subsidiary undertaking</u>	<u>Country of registration or incorporation</u>	<u>% of holding of shares and voting rights</u>	<u>Principal activities</u>
Barclays Bank PLC	England	100	Banking, holding company
Barclays Bank Trust Company Limited	England	100	Banking, asset management and trust services
Barclays Capital Securities Limited	England	100	Securities dealing
Barclays Private Clients International Limited	Isle of Man	100*	Banking
Barclays Securities Japan Limited	Japan	100	Securities dealing
Barclays Africa Group Limited	South Africa	62.3	Banking, holding company
Barclays Bank S.A.U.	Spain	100*	Banking
Barclays Capital Inc.	USA	100	Securities dealing
Barclays Bank Delaware	USA	100	US credit card issuer

The country of registration or incorporation is also the principal area of operation of each of the above subsidiaries. Investments in subsidiaries held directly by Barclays Bank PLC are marked *.

12. Employees

12.1 The number of staff employed by the Group as at 31 December 2012, 2011 and 2010 (permanent and fixed contract staff worldwide, not including agency staff) is set out below.

	As at 31 December		
	2012	2011	2010
Full-time equivalent by business			
UK RBB	33,000	32,400	33,200
Europe RBB	7,500	8,100	9,100
Africa RBB	40,500	42,700	46,500
Barclaycard	11,100	10,900	10,300
Investment Bank	25,600	24,400	25,100
Corporate Banking	13,000	14,000	14,700
Wealth and Investment Management	8,300	8,500	8,500
Head Office	200	100	100
Total Group permanent and fixed term contract staff worldwide	139,200	141,100	147,500

12.2 The geographical breakdown of staff employed by the Group as at 31 December 2012 (permanent and fixed contract staff worldwide, not including agency staff) is set out below.

	As at 31 December 2012
Full-time equivalent by world region	
UK	55,300
Africa and Middle East	45,200
Continental Europe	11,100
Americas	11,100
Asia Pacific	16,500
	<u>139,200</u>

As at 30 June 2013, Barclays employed approximately 139,900 persons (excluding Directors).

12.3 The figures in the tables above are approximate. They include fixed term contractors, but exclude temporary and agency employees. As at 30 June 2013, the Group estimated that it employed some 10,500 temporary and agency employees. They are not included in the above figures.

13. Barclays employee share plans

A summary of the key terms of the Barclays Employee Share Plans is set out below.

13.1 The Barclays Long Term Incentive Plan (the "LTIP")

The LTIP was approved by Shareholders at the Annual General Meeting of the Company on 27 April 2011. The LTIP is not an HMRC approved plan. The LTIP replaced the Barclays PLC Performance Share Plan as the main performance-linked share incentive plan for Directors.

Eligibility

The Board Remuneration Committee may select any employee of the Group, including any Executive Director, to participate in the LTIP.

Grant of awards

Awards may normally only be granted within 42 days after: the first dealing day immediately after the date of the preliminary announcement of the Company's results for any financial period; the removal of any restrictions imposed on the Company or the LTIP trustee which have previously prevented an award from being granted; any date on which changes to legislation or regulations affecting share plans and/or long term incentive plans are announced or made; or at any other time when it is determined that a grant is not restricted by law or regulation. No awards may be granted after 27 April 2021.

Awards may be granted either by the Board Remuneration Committee or by the LTIP trustee, in consultation with the Board Remuneration Committee (in each case, the "Grantor"). Awards may be granted over Ordinary Shares (or other capital instruments) and all LTIP awards have to date been granted in the form of conditional share awards which give a participant a right to acquire Ordinary Shares in the future at no cost and provisional allocations of Ordinary Shares which do not give a participant any right to acquire, or any interest in, Ordinary Shares until such time as the Grantor decides.

Awards are personal to the participant and may not be transferred except on death. Benefits under the LTIP are not pensionable.

Limits

The Grantor will determine the initial value of an award granted in any financial year. The maximum value of an award at the date of grant will be calculated on such basis of market value as the Grantor decides is fair and reasonable and, for Executive Directors, will not normally exceed 400% of base salary. The Grantor has discretion to recommend grants for Executive Directors in excess of this limit in exceptional circumstances such as for the purposes of recruitment or retention.

Where awards are satisfied by Ordinary Shares, the Ordinary Shares may be Ordinary Shares purchased on the stock market, treasury Shares or newly issued Ordinary Shares. The LTIP contains the following limits on the issue of new Ordinary Shares:

- the number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under the LTIP and any other executive share plan adopted by the Company may not exceed 5% of the Company's issued ordinary share capital from time to time; and
- the number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under the LTIP and any other employee share plan adopted by the Company may not exceed 10% of the Company's issued ordinary share capital from time to time.

Ordinary Shares issued out of treasury will count towards these limits for so long as this is required by institutional shareholder guidelines.

Vesting / Release of awards

Normally, no part of an award will vest or be considered for release before the third anniversary of grant. Awards will normally vest or be considered for release at the end of the vesting / release period if and to the extent that any applicable performance conditions have been satisfied and subject to malus and prudent financial control provisions.

No Ordinary Shares will vest or be considered for release if, in the opinion of the Board Remuneration Committee, the underlying financial health of the Group has deteriorated significantly over the performance period.

The LTIP includes malus provisions in accordance with the PRA Remuneration Code under which the Grantor may reduce awards (to nil if appropriate). For example, awards may be reduced where the Board Remuneration Committee in its discretion determines that there is evidence of serious employee misconduct or where a business unit has suffered a material failure of risk management.

In the case of eligible leavers or a change of control of the Company, special provisions apply depending on the form of award. Most awards will normally vest on the normal vesting date save that the Grantor can decide whether a provisional allocation shall be released.

Any Ordinary Shares released pursuant to an LTIP award granted in 2013 will be subject to an additional holding period of 24 months. For awards granted in 2012 and 2011, 50% of any Ordinary Shares released pursuant to an LTIP award will be subject to an additional holding period of 12 months. The Board Remuneration Committee has discretion to vary the percentage of Ordinary Shares subject to the holding period and the length of such holding period.

Any such released Ordinary Shares (net of tax and other applicable withholdings) will be held in a nominee account. Participants will not be able to sell, transfer, charge, pledge or otherwise encumber these Ordinary Shares during this time.

Performance conditions

Performance will be measured against a suite of metrics, which will normally be measured over a three year period.

The scorecard approach is intended to assess performance in line with the execution of the Company's strategy and includes a suite of performance metrics under three categories: Finance e.g. Return on Risk Weighted Assets ("RoRWA"), Risk e.g. Loan Loss Rate and, for awards granted in 2011 and 2012, Sustainability and, for awards granted in 2013, a Balanced Scorecard. Each category has a relative weighting, and at the end of the vesting period, performance under each category will be separately

assessed. A percentage score will be determined for each category and the sum of these percentages will be applied to the maximum award for each participant to determine the final vesting amount.

The Board Remuneration Committee has discretion to adjust the performance conditions, after the start of the performance period, in exceptional circumstances.

Benefit of dividends

An additional benefit, releasable at the same time as an award, may be added to an award. Any benefit would represent the value of dividends payable on those Ordinary Shares that actually vest / are released since the date of grant and would normally be provided as Ordinary Shares or as a cash sum.

Cash alternative

The Grantor may decide at the point of vesting (or exercise or consideration for release as the case may be) that an award should be settled in cash equal to the market value of the Ordinary Shares subject to the award rather than in the Ordinary Shares themselves.

Variation of the Company's share capital

On any variation or increase of the Company's share capital, or in the event of a demerger, special dividend or other similar event which affects the market price of Ordinary Shares to a material extent, the Grantor may make such adjustments as it considers appropriate to the number of Ordinary Shares subject to an award.

Amendments to the LTIP

The Board Remuneration Committee may amend the LTIP at any time in any respect. The rules of the LTIP relating to eligibility, limits, the basis for determining a participant's entitlement, variations of the Company's share capital and amending the plan may not be amended to the advantage of existing or future participants without the prior approval of the Company's Shareholders in a general meeting. However, the Board Remuneration Committee may make any amendments necessary to secure or maintain favourable taxation, exchange control or regulatory treatment for the Company, any of its subsidiaries or any participant and make minor amendments to benefit or facilitate the administration of the plan without prior shareholder approval.

13.2 The Barclays Group Share Value Plan ("SVP")

SVP was approved by Shareholders at the Annual General Meeting on 27 April 2011 (at which time the SVP was amended to include Executive Directors and flexibility to satisfy awards using new Ordinary Shares). When SVP was adopted in 2010, Shareholder approval was not required as new Ordinary Shares could not be used and Executive Directors could not participate. SVP is not an HMRC-approved plan. SVP is used mainly to award Ordinary Shares in respect of annual incentives in accordance with the principles of the PRA's Remuneration Code. Awards may also be granted to new joiners to the Group and as part of the remuneration awarded to employees under business unit long term incentive plans operated by the Group.

Eligibility

The Board Remuneration Committee may select any employee of the Group to participate in SVP, including Executive Directors.

Grant of awards

Awards may normally only be granted within 42 days after: the first dealing day immediately after the date of the preliminary announcement of the Company's results for any financial period, or following the removal of any restrictions imposed on the Company or the SVP trustee which have previously prevented an award from being granted; or any date on which changes to the legislation or regulations affecting share plans and/or long term incentive plans is announced or made; or at any other time it is decided that a grant is not restricted by law or regulation. No awards may be granted after 27 April 2021.

Awards may be granted by the Board Remuneration Committee or by the SVP trustee, in consultation with the Board Remuneration Committee (in each case, the "Grantor") and may be granted over Ordinary Shares, other capital instruments or Contingent Capital awards (see below). All SVP awards to

date have been granted in the form of conditional share awards which give a participant a right to acquire Ordinary Shares in the future at no cost; provisional allocations of Ordinary Shares which do not give a participant any right to acquire, or any interest in, Ordinary Shares until such time as the Grantor decides; nil-cost options; or cash-based awards granted on similar terms to SVP but with an additional vesting condition linked to the Group Core Tier 1 capital ratio (“**Contingent Capital Awards**”).

Awards are personal to the participant and may not be transferred except on death. Benefits under SVP are not pensionable.

Limits

The Grantor will determine the initial value of an award granted in any financial year. The maximum value of Ordinary Shares under an award at the date of grant will be calculated on such basis of market value as the Grantor decides is fair and reasonable. Awards to Executive Directors will be granted in line with the individual limits for Executive Directors’ annual performance incentives.

Where awards are satisfied by Ordinary Shares, the Ordinary Shares may be Ordinary Shares purchased on the stock market, treasury Shares or newly issued Ordinary Shares. SVP is subject to the following limits on the issue of new Ordinary Shares:

- the number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under SVP and any other executive share plan adopted by the Company may not exceed 5% of the Company’s issued ordinary share capital from time to time; and
- the number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under SVP and any other employee share plan adopted by the Company may not exceed 10% of the Company’s issued ordinary share capital from time to time.

Ordinary Shares issued out of treasury will count towards these limits for so long as this is required by institutional shareholder guidelines.

Vesting / Release of Awards

Normally, awards vest or are considered for release in three equal portions on each of the first, second and third anniversaries of grant, subject to malus and prudent financial control provisions. The Grantor may select a different vesting / release period for awards, in particular, in the case of awards granted to new joiners and as part of the remuneration awarded to employees under business unit long term incentive plans operated by the Group.

No awards shall vest or be considered for release if, in the opinion of the Company, the underlying financial health of the Group has deteriorated over the performance period.

SVP includes malus provisions in accordance with the PRA Remuneration Code under which the Grantor may reduce awards (to nil if appropriate). For example, awards may be reduced where the Committee in its discretion determines that there is evidence of serious employee misconduct or where a business unit has suffered a material failure of risk management.

In the case of eligible leavers or on a change of control of the Company special provisions apply depending on the type of the award. Most awards will normally vest on the normal vesting dates save that the SVP trustee has discretion to decide whether provisional allocations will be released.

Benefit of dividends

An additional benefit, releasable at the same time as an award, may be added to an award. Any benefit would represent the value of dividends paid on Ordinary Shares that actually vest / are released since the date of grant and would normally be provided as Ordinary Shares or as a cash sum.

Cash alternative

The Grantor may, at its discretion, decide at the point of vesting (or exercise or consideration for release as the case may be) that an award should be settled in cash equal to the market value of the Ordinary Shares subject to the award rather than in the Ordinary Shares themselves.

Variation of the Company’s share capital

On any variation or increase of the Company’s share capital the Grantor may make such adjustments as it considers appropriate to the number of Ordinary Shares subject to an award.

Amendments to SVP

The Committee may amend SVP at any time in any respect. The rules of SVP relating to eligibility, limits, the basis for determining a participant's entitlement and variations of the Company's share capital may not be amended to the advantage of existing or future participants without the prior approval of the Company's Shareholders in a general meeting. However, the Grantor may make any amendments necessary to secure or maintain favourable taxation, exchange control or regulatory treatment for the Company, any of its subsidiaries or any participant and make minor amendments to benefit or facilitate the administration of SVP without prior shareholder approval.

13.3 The Barclays Group SAYE Share Option Scheme ("Sharesave")

Sharesave was approved by Shareholders and adopted at the Annual General Meeting on 30 April 2010. Sharesave is an HMRC approved SAYE option scheme.

Administration

Sharesave is administered, in accordance with its rules, by the Board.

Eligibility

All United Kingdom resident employees of participating Group companies who have been continuously employed for a minimum period of not more than five years (as determined by the Board) are eligible to participate in Sharesave. Other employees of participating companies may be invited to participate in Sharesave at the Board's discretion.

Grant of options

Options over Ordinary Shares may be granted within 30 days (or 42 days if applications are scaled back) of the option price being set. The option price may be set within the period of 42 days after: the preliminary announcement of the annual or half year results of the Company; the coming into force of any amendments to Schedule 3 to Income Tax (Earnings and Pensions) Act 2003 ("ITEPA") which affect Sharesave; the issue of a new Sharesave prospectus; or at any other time if the Board determines that the circumstances are sufficiently exceptional to justify the grant of an option. No options may be granted later than 30 April 2020. Options granted under Sharesave are personal to the participant and may not be transferred.

Savings contract

Any person who applies for an option under Sharesave must also enter into an HMRC approved savings contract. Under this contract, the person agrees to make monthly savings which must not be less than £5 and may not exceed the maximum amount specified in Schedule 3 to ITEPA which is currently £250 (or such lower amount as determined by the Board) over a period of three or five years. A bonus may be paid on completion of the savings contract, as set by HMRC (currently no bonuses are payable). Historically, a person could elect to leave their savings in their savings account at the end of a five-year contract for a further two years but this choice is no longer available. Ordinary Shares may only be acquired under Sharesave on exercise of an option using an amount equal to the proceeds of this savings contract. The number of Ordinary Shares over which an option is granted will be such that the total amount payable on its exercise will be equal to the proceeds on maturity of the related savings contract. The Board will decide which savings contracts should be made available on each occasion when it is decided to grant options.

Exercise price

The price payable per Ordinary Share on exercise of an option granted under Sharesave is determined by the Board at the date of grant and must not be less than the greater of:

- the nominal value of an Ordinary Share; and
- at any time when the Ordinary Shares are listed, not less than 80% of the average closing middle market price of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange over any period of not more than five successive dealing days (a) immediately preceding the date on which invitations to apply for the grant of options are issued to employees, or (b) on the date specified in the invitation.

No consideration is payable for the grant of an option.

Limits

The number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under Sharesave and any other employee share plan adopted by the Company may not exceed 10% of the Company's issued ordinary share capital from time to time.

Exercise of options

An option granted under Sharesave may normally only be exercised within the period of six months following completion of a participant's savings contract (which will usually be three or five years from the date of entering into the savings contract). An option may become exercisable earlier for a period of six months (or 12 months if a participant dies) if the participant ceases to be employed by a participating company for certain specified reasons. If a participant ceases to be employed by a participating company by reason of misconduct, his option will lapse. If a participant ceases to be employed by a participating company for any other reason and his option has been held for three years, the option will be exercisable for a period of six months from cessation. If his option has not been held for three years, the option will lapse unless he ceases to be employed by a participating company for one of the specified reasons. Special provisions apply on a takeover or liquidation of the Company. If an option becomes exercisable before the savings contract matures, it can only be exercised over such number of Ordinary Shares as may be purchased with an amount equal to the proceeds of the savings contract and, if applicable, any interest to date.

Variation of the Company's share capital

On any variation of the Company's share capital by way of capitalisation or rights issue, or by consolidation, subdivision or reduction of capital or otherwise, the Board may make such adjustments as it considers appropriate to the exercise price and/or the number and/or the denomination of Ordinary Shares under option, provided that there is no increase in the aggregate exercise price or reduction below nominal value. No such adjustment shall be effective until approved by HMRC.

Amendments to Sharesave

The Board may amend Sharesave at any time in any respect, but no amendment to a key feature shall be effective until it is approved by HMRC. The rules of Sharesave relating to eligibility, limits, the basis for determining a participant's entitlement, variation of the Company's share capital and amending the plan may not be amended to the advantage of existing or future participants without the prior approval of the Company's Shareholders in a general meeting. However, the Board may make any amendments necessary to secure or maintain favourable taxation, exchange control or regulatory treatment for the Company, any of its subsidiaries or any participant and make minor amendments to benefit or facilitate the administration of the plan without the prior approval of Shareholders.

In addition to Sharesave, there are options outstanding under the 2000 Group SAYE Option Scheme ("2000 Sharesave") which was approved by Shareholders and adopted at the Annual General Meeting on 26 April 2000. No new options can be granted under the 2000 Sharesave. The principal terms of 2000 Sharesave are substantially the same as the terms of Sharesave set out above.

Sharesave may be adapted as necessary to enable Sharesave to operate internationally and has been adapted for use in Spain and in Ireland. The Sharesave operated in Ireland has been approved by the Irish Revenue Commissioners.

13.4 The Barclays Group Share Incentive Plan ("Sharepurchase")

Sharepurchase was approved by Shareholders at the Annual General Meeting on 26 April 2000. It is an HMRC approved share incentive plan.

Administration

Sharepurchase is constituted by a trust deed. Sharepurchase is administered by the Sharepurchase trustee in accordance with the trust deed and its rules. The Board has responsibility for Sharepurchase and may appoint and remove the Sharepurchase trustee.

Eligible employees

All United Kingdom resident employees of Group companies participating in Sharepurchase, who have been continuously employed for a period of one year (or such lesser period as determined by the Board),

will be eligible to participate in Sharepurchase. Other employees of participating companies may be invited to participate in Sharepurchase at the Board's discretion. There is currently no minimum qualifying period.

Awards

If the Board decides to operate Sharepurchase, all eligible employees will be entitled to participate in Sharepurchase on similar terms. Sharepurchase has four discrete elements, Partnership Shares, Matching Shares, Free Shares and Dividend Shares (as described below). The Board may decide each year which elements are to be offered under Sharepurchase. All awards are made in respect of Ordinary Shares. Benefits under Sharepurchase are not pensionable.

Employees are eligible to participate only if they enter into an agreement with the Company and the Sharepurchase trustee.

Partnership Shares

Up to £1,500 worth of Partnership Shares may be purchased on behalf of an eligible employee in any tax year using money deducted from his monthly salary or deducted from his salary in one or more lump sums in both cases not exceeding 10% of salary in any tax year. Partnership Shares may be withdrawn by the participant from Sharepurchase at any time and must not be subject to forfeiture.

Matching Shares

The Board may permit the award of up to two Matching Shares for each Partnership Share purchased. Matching Shares may be forfeited if a participant ceases to be employed by the Group in certain circumstances or if he withdraws his Partnership Shares from Sharepurchase in certain circumstances. Matching Shares may be subject to a holding period of up to five years as determined by the Board.

Dividend Shares

Additionally, the Board may permit dividends received on Ordinary Shares held in Sharepurchase to be reinvested on an elective or mandatory basis in additional Ordinary Shares ("**Dividend Shares**"). The Dividend Shares must be held for a minimum holding period of three years before they can be sold. The Board may set a limit for the reinvestment of dividends.

Free Shares

Eligible employees may be awarded up to £3,000 worth of Free Shares in each tax year. Such award may be linked to objective performance criteria. Free Shares may be forfeited if a participant ceases to be employed by the Group in certain circumstances. Free Shares will be subject to a holding period of up to five years as determined by the Board.

Operation

Sharepurchase currently operates over:

- Partnership Shares;
- Matching Shares — Matching Shares are awarded on a one for one basis up to a value of £600 worth of Partnership Shares acquired on behalf of participants each year and must be kept in Sharepurchase for a minimum holding period of three years; and
- Dividend Shares — dividends received on Ordinary Shares held in Sharepurchase are reinvested in additional Ordinary Shares.

Free Shares are not currently offered under Sharepurchase.

In each year that the Board decides to operate Sharepurchase, participating Group companies will provide the Sharepurchase trustee with funds to enable the Sharepurchase trustee to acquire Ordinary Shares.

Limits

Sharepurchase is subject to the following limits on the issue of new Ordinary Shares:

- the number of unissued Ordinary Shares that may be issued or placed under award in any calendar year under Sharepurchase may not exceed 1% of the Company's issued ordinary share capital from time to time; and

- the number of unissued Ordinary Shares that may be issued or placed under award in any 10-year period under Sharepurchase and any other employee share plan adopted by the Company may not exceed 10% of the Company's issued ordinary share capital from time to time.

Dividends and voting rights

Participants are the beneficial owners of the Ordinary Shares held by the Sharepurchase trustee for them. If dividends received on Ordinary Shares held in Sharepurchase were not invested, the Sharepurchase trustee would pass on all dividends and other distributions received in respect of the Ordinary Shares to the participants concerned as soon as practicable after receipt, subject to the requirements of the applicable UK tax legislation. The Sharepurchase trustee will vote in accordance with the wishes of the participants, if participants have given the Sharepurchase trustee prior voting directions in writing.

Takeovers and variations of the Company's share capital

In the event of a general offer being made to Shareholders or a rights or capitalisation issue or other variation of the Company's share capital, participants will be able to instruct the Sharepurchase trustee how to act or vote on their behalf. In the case of a rights issue, participants have given their consent to the Sharepurchase trustee to sell sufficient of the rights attached to the participants' Sharepurchase shares to fund the take up of the remaining rights attached to other Sharepurchase shares.

Amendments to Sharepurchase

The Board and the Sharepurchase trustee may amend Sharepurchase at any time in any respect, but no amendment to a key feature shall be effective until it is approved by HMRC. The provisions of the trust deed, and rules of Sharepurchase relating to eligibility, limits, the basis for determining a participant's entitlement and amending the plan may not be amended to the advantage of existing or future participants without the prior approval of the Company's Shareholders in a general meeting. However, the Board may make any amendments necessary to secure or maintain favourable taxation, exchange control or regulatory treatment for the Company, any of its subsidiaries or any participant and make minor amendments to benefit or facilitate the administration of the plan without prior shareholder approval.

13.5 The Barclays Global Sharepurchase ("GSP")

GSP has been established as a global Sharepurchase plan to provide benefits to employees outside the United Kingdom pursuant to an authority provided by Shareholders at the Annual General Meeting on 26 April 2000. GSP is not an HMRC approved plan and HMRC approval is not required for any amendments to the plan rules.

The principal features are as set out for Sharepurchase save that, under the "Matching Share" element, eligible employees receive a Matching Share award instead of a Matching Share. A Matching Share award is in the form of a conditional share award. Participants will not be eligible to receive dividends in respect of their Matching Share awards during the vesting period of three years. If there is a change of control, reconstruction or winding up of the Company and if cash consideration is payable by an acquirer on the change of control, the Matching Share awards will lapse to the extent that they have not vested. If the consideration comprises shares or loan notes, then the Matching Share awards will continue to exist and vest in the normal course. In the event of any variation of share capital, any unvested Matching Share awards may be adjusted according to the terms of the variation of share capital.

13.6 The Executive Share Award Scheme (the "ESAS")

It is currently intended that no further grants of new awards will be made under ESAS and so this summary excludes certain sections found in the other summaries.

ESAS is not an HMRC approved plan. It is a deferred share award plan which operates in conjunction with the annual incentives (and various business unit long term incentive plans operated by Group companies) i.e. part of the value of any such incentive / award is delivered as an award under ESAS. Participants received Mandatory ESAS awards. Under a Mandatory ESAS award, part of a participant's annual bonus is delivered as an award under ESAS. In addition, certain participants were able to request that any cash bonus, to which they may otherwise have become entitled, be granted as an additional award under ESAS (Voluntary ESAS award). Both Mandatory and Voluntary ESAS awards normally included additional Ordinary Shares called bonus shares with a value of up to 30% of the bonus amount awarded in shares. The ESAS trustee may apply dividends it receives on Ordinary Shares held in the trust in purchasing additional Ordinary Shares which may also be released to participants.

Administration

ESAS is operated and administered by the ESAS trustee. ESAS awards cannot be satisfied with new issue or treasury shares.

Awards

A Mandatory ESAS award is a provisional allocation of Ordinary Shares which does not give rise to any right to, or any interest in, Ordinary Shares until the ESAS trustee decides. Under a Mandatory ESAS award, participants may be considered for the grant of a nil-cost option over the Ordinary Shares plus two-thirds of any bonus shares following the third anniversary of the award date. If this nil-cost option is not exercised by the fifth anniversary of the original Mandatory ESAS award, the option lapses and the ESAS trustee may consider releasing all the Ordinary Shares, including all the bonus shares and dividend shares, to the participant. If this nil-cost option is exercised before such fifth anniversary and the participant remains an employee of the Group until such fifth anniversary the ESAS trustee may consider releasing the additional 10% bonus shares.

In certain jurisdictions, Mandatory ESAS awards are adapted so that the ESAS trustee may release the number of Ordinary Shares (normally on the third anniversary of the award date) which would have been eligible for the grant of a nil-cost option. If the participant remains an employee of the Group until the fifth anniversary of the award date he will be eligible to be considered for the release of the remaining Ordinary Shares under award on or around the fifth anniversary of the award date.

A Voluntary ESAS award is granted in the form of a nil-cost option which is a right to acquire Ordinary Shares which will become fully exercisable after five years.

The ESAS trustee may consider the release of Ordinary Shares under award to eligible leavers following cessation of employment in line with the normal release schedule or immediately. Special provisions apply on a change of control of the Company.

Variation of the Company's share capital

On any increase or variation of the share capital of the Company by way of capitalisation or rights issue, or subdivision, consolidation or reduction of capital or other variation, the ESAS trustee may, subject to the Company's auditors confirming that such adjustment is in their opinion fair and reasonable, make such adjustments as it considers appropriate to the number of Ordinary Shares comprised in any award.

Amendments to the ESAS

ESAS may be amended in any respect by resolution of the ESAS trustee with the consent of the Company.

Termination

The ESAS trustee, having first consulted the Board Remuneration Committee, may at any time suspend or terminate ESAS.

13.7 The Barclays PLC Incentive Share Option Plan (the "ISOP")

The last options granted under the ISOP were granted in 2004 and so this summary excludes certain sections found in the other summaries.

The ISOP was approved by Shareholders and adopted at the Annual General Meeting on 26 April 2000 and contains both HMRC approved and non-approved parts (the Approved Incentive Share Option Plan (the "**Approved ISOP**") and the Unapproved Incentive Share Option Plan (the "**Unapproved ISOP**") which are together referred to as the "**ISOP**").

Administration

The ISOP is administered, in accordance with its rules, by the Board.

Exercise price

Options were granted with an exercise price per Ordinary Share set by the Board at the date of grant at the market share price with no discount.

Limits

Individual participation in the Approved ISOP is subject to an HMRC limit such that the aggregate exercise price of Ordinary Shares issuable pursuant to options granted under the Approved ISOP and any other HMRC approved executive share option plan to that eligible employee must not exceed £30,000.

Under the ISOP the value of the target award granted to an eligible employee in any financial year is subject to an overall maximum of 200% of the participant's remuneration as determined by the Board.

Exercise of options

An option is not normally exercisable before the expiry of three years from the date of grant, including where a participant ceases to be employed by the Group. If the participant dies or the participant's employment terminates for certain specified reasons or where the Board so determines, the participant will have the right to exercise his options within certain specified periods. Options will lapse at the expiry of ten years from the date of grant. Special provisions apply to the exercise of options in the event of a takeover or liquidation of the Company.

The Board shall on the date of grant of any option specify the objective performance target(s) which must be satisfied before an option can be exercised. The number of Ordinary Shares over which an option granted under the ISOP is exercisable is conditional on the extent to which performance targets are satisfied.

Variation of the Company's share capital

On any variation of the Company's share capital by way of capitalisation or rights issue, or by consolidation, subdivision or reduction of capital or otherwise, the Board may make such adjustments as it considers appropriate to the exercise price and/or the number and/or the denomination of Ordinary Shares comprised in an option, provided that there is no increase in the aggregate exercise price or reduction below nominal value. No such adjustment may be made without the prior written confirmation from the Company's auditors that it is in their option fair and reasonable (and without HMRC approval in the case of options granted under the Approved ISOP).

Amendments to the ISOP

The Board may amend the ISOP at any time in any respect, provided that in the case of the Approved ISOP no amendment shall be effective until it is approved by HMRC. The rules of the ISOP relating to eligibility, limits on the number of Ordinary Shares available under the ISOP, the basis for determining an eligible employee's participation, any adjustment to an option on a variation of the Company's share capital and amendment of the ISOP may not, however, be amended to the advantage of existing or future participants without the prior approval of the Company in general meeting except that the Board may make any amendments necessary to secure or maintain approval by HMRC in the case of the Approved ISOP or to obtain or maintain favourable taxation, exchange control or regulatory treatment of the Company, any of its subsidiaries or any participant and make minor amendments to benefit or facilitate the administration of the ISOP.

13.8 Share Incentive (Holding Period)

The Company is subject to the PRA Remuneration Code. The Company is required to structure remuneration to comply with the PRA Remuneration Code for employees who are covered by the PRA Remuneration Code. This requires at least 50% of variable remuneration for PRA Remuneration Code employees to be delivered in Ordinary Shares (or similar equity instruments). To satisfy this requirement in respect of variable remuneration that is not deferred, the Company awards 50% of such remuneration in Ordinary Shares. These Ordinary Shares are held by a nominee and cannot be sold or transferred out of that nominee for a period of 6 months. Any dividends paid on the Ordinary Shares whilst the Ordinary Shares are held by the nominee are re-invested to acquire more Ordinary Shares, where permitted by local law and regulation.

13.9 Outstanding options under Barclays and Group member employee share plans

Save as disclosed below, none of the share capital of any member of the Group is under option or agreed conditionally or unconditionally to be put under option⁽¹⁾.

<u>Exercise price range</u>	<u>Weighted average exercise price (£)</u>	<u>Weighted average remaining contractual life in years</u>	<u>Number of options outstanding as at the Record Date</u>
Sharesave 2000 ⁽²⁾			
£2.50-£3.49	2.61	0.9	8,662,407
£3.50-£4.49	4.32	0.0	825
£4.50-£5.49	4.83	0.6	579,820
Sharesave 2010 ⁽²⁾			
£1.41-£2.49	1.64	2.6	139,510,831
Ireland Sharesave ⁽²⁾			
£1.41-£2.49	1.73	1.8	354,633
Spain Sharesave ⁽²⁾			
£1.41-£2.49	1.56	1.0	1,859,812
ISOP ²			
£4.50-£5.49	4.67	0.5	2,975,065
Total			153,943,393

(1) There are 5,730,521 Ordinary Shares subject to nil-cost options under ESAS, VESAS and SVP with a weighted average remaining contractual life of 1.7 years. All ESAS and VESAS awards will be satisfied using Existing Ordinary Shares. SVP awards may be satisfied with newly issued Ordinary Shares and/or Existing Ordinary Shares.

(2) Option granted over Ordinary Shares.

The following options remain outstanding over Barclays Africa Group Limited shares⁽¹⁾

<u>Exercise price range</u>	<u>Weighted average exercise price (£)</u>	<u>Weighted average remaining contractual life in years</u>	<u>Number of options outstanding as at the Record Date</u>
Absa Group Limited Share Incentive Trust			
£2.50-£3.49	3.09	0.7	141,364
£4.50-£5.49	5.04	1.7	80,000
£5.50-£6.49	5.83	1.9	230,300

(1) There are 276,720 Barclays Africa Group Limited shares subject to nil-cost options or nil-cost awards under Absa Group Limited Executive Share Award Scheme/Voluntary Executive Share Award Scheme with a weighted average remaining contractual life of 1.0 years. All awards will be satisfied using existing Barclays Africa Group Limited shares.

The following options remain outstanding over Barclays Bank of Zimbabwe Limited shares:

<u>Exercise price range</u>	<u>Weighted average exercise price (£)</u>	<u>Weighted average remaining contractual life in years</u>	<u>Number of options outstanding as at the Record Date</u>
£0.01-£0.11	0.03	7.3	6,150,000
£0.12-£0.28	0.15	4.0	60,000

13.10 Barclays Pension Arrangements

Barclays operates a number of pension arrangements in different countries, several of which are defined benefit plans.

As is usual with defined benefit plans, employer contributions are not fixed, and may increase or decrease depending on the assets and liabilities of the plans from time to time, as well as in line with statutory funding requirements. Any requirement to increase contributions, or an increase in net liabilities, may negatively affect the Group's cashflows, balance sheet or distributable reserves, which could have a material effect on the Group's business or financial position. Conversely, a decrease in contributions or liabilities could have a positive effect.

By far the most significant (in terms of assets and liabilities) is the main defined benefit plan operated in the United Kingdom. Historically, the "sponsoring employer" of this plan had discretion as to the level of contributions paid, subject to the statutory minimum. However, under UK law, the employer must now seek to agree a scheme-specific funding approach with the plan's trustees no less than once every three

years. In the event agreement cannot be reached, the UK's Pensions Regulator would be able to impose a level of contributions. Either agreement with the plan's trustees in respect of the scheme specific funding or intervention by the UK Pensions Regulator could lead to a more prudent funding basis and therefore recognition of a higher deficit, resulting in increased contributions, going forward.

There are defined benefit plans in several other countries, notably the US and South Africa. Contributions to these plans may increase over time (and in particular recent legal changes may increase contributions to the plan in the US). However, these plans are much less material than in the UK.

14. Property

14.1 As at 30 June 2013, the Group occupied 4,653 properties globally. Of these, 592 were held as freeholds, 45 as long-term leaseholds, 3,986 as short-term leaseholds and 30 as mixed tenure. The majority of these properties are retail branches, mainly distributed throughout UK, Africa and Western Europe. Other buildings include the Group's head office at 1 Churchill Place, London E14 5HP, United Kingdom, Barclays' Investment Bank office at 745 7th Avenue, New York, USA and customer service and support properties located to suit business needs, but clustered largely in London, Johannesburg, New York, Pretoria and Singapore. In addition, there are 263 properties which are either sub-let or vacant.

14.2 The material properties owned or leased by the Group are as follows:

<u>Location</u>	<u>Description and Tenure</u>	<u>Use</u>	<u>Building/site use area (square metres)</u>
1 Churchill Place, London E14 5HP	Leasehold (expiring in 2034)	Head Office	1,039,907
745 7 th Avenue, New York, USA	Freehold ⁽¹⁾	Barclays' Investment Bank Office	1,049,811

(1) 745 7th Avenue, New York is a freehold building subject to a ground lease which expires on 30 November 2097. The landowner of 745 5th Avenue has the right to exercise an option between 1 December 2027 and 1 June 2028, the effect of which is that the building at 745 7th Avenue and the land will both be contributed to a joint venture between the Group and the landowner in which each will participate equally. If the option is exercised, the Group has the option to enter into a space lease of the building from the joint venture, which would last up to a maximum period of 25 years from the option effective date of 1 January 2032.

15. Underwriting arrangements

15.1 Pursuant to an agreement dated 30 July 2013 between the Company, the Global Co-ordinator and the Initial Underwriters and an accession deed dated 3 August 2013 between the Company, the Global Co-ordinator and the Underwriters (the "Underwriting Agreement"):

15.1.1 The Company has appointed the Underwriters as underwriters of the Underwritten Shares, the Sponsor as sponsor in connection with the Prospectus and Admission and the Global Co-ordinator as global co-ordinator in connection with the Rights Issue.

15.1.2 Subject to the terms and conditions of the Underwriting Agreement, Credit Suisse, Deutsche Bank, BofA Merrill Lynch and Citi have agreed to use their reasonable endeavours to procure subscribers for New Ordinary Shares (including, where relevant, in the form of New ADSs) which are not taken up under the Rights Issue as soon as reasonably practicable and in any event by no later than 4:30 p.m. on the second dealing day after the last date for acceptance and payment under the terms of the Rights Issue (or such other date as the Company and the Underwriters may agree in writing) if an amount which is not less than the Issue Price and any applicable expenses can be obtained for each New Ordinary Share, failing which the Underwriters have agreed to subscribe for the Underwritten Shares at the Issue Price by reference to their Proportionate Shares.

15.1.3 In consideration of the Underwriters' agreement to underwrite the Underwritten Shares, the services provided by the Sponsor and the services provided by the Global Co-ordinator in connection with the Rights Issue, and subject to their obligations under the Underwriting Agreement having become unconditional and the Underwriting Agreement not having been terminated in accordance with its terms prior to Admission (nil paid), the Company has agreed to pay an aggregate underwriting commission of 1.7% of the aggregate proceeds of the Rights Issue in respect of the Underwritten Shares to the Initial Underwriters. Such amount shall be reduced by the underwriting commission payable to

the Additional Underwriters at a rate of 1.5% of the portion of the proceeds of the Rights Issue in respect of the Underwritten Shares which are underwritten by the Additional Underwriters. In each case, the respective commissions shall be apportioned between the Initial Underwriters and the Additional Underwriters in proportion to their Proportionate Shares. Out of such commission, the Underwriters will pay sub-underwriting commissions (to the extent that sub-underwriters are or have been procured). In addition, the Company has agreed to pay the Sponsor a fee of up to £1,553,656 and the Global Co-ordinator a fee of 0.1% of the aggregate underwritten proceeds of the Rights Issue.

15.1.4 The obligations of the Company to issue New Ordinary Shares and the obligations of Credit Suisse, Deutsche Bank, BofA Merrill Lynch and Citi to procure subscribers for, or failing which the Underwriters to subscribe for or purchase, the New Ordinary Shares to be issued under the Rights Issue (in their Proportionate Share) are subject to certain conditions including, among others,

- (a) Admission occurring by not later than 8.00 a.m. on 3 October 2013 or, in certain circumstances, 7 November 2013;
- (b) the Company having complied with its obligations under the Underwriting Agreement which fall to be performed or satisfied prior to Admission (nil paid); and
- (c) each condition to enable the Nil Paid Rights and the Fully Paid Rights to be admitted as a participating security in CREST (other than Admission) being satisfied on or before Admission.

15.1.5 Pursuant to the Underwriting Agreement, each of the Underwriters has severally agreed to subscribe such proportion of the Underwritten Shares as are set out in the table below (in relation to each Underwriter, the “Proportionate Share”):

<u>Underwriter</u>	<u>Underwritten Shares</u>	<u>Proportionate Share of each Underwriter %</u>
Credit Suisse Securities (Europe) Limited	160,844,678	5.0
Credit Suisse AG, London Branch	321,689,355	10.0
Deutsche Bank AG, London Branch	482,534,032	15.0
Citigroup Global Markets Limited	482,534,032	15.0
Merrill Lynch International	482,534,032	15.0
ABN AMRO Bank N.V	160,844,677	5.0
Banco Santander S.A.	160,844,677	5.0
BNP Paribas	160,844,677	5.0
ING Bank N.V	160,844,677	5.0
J.P. Morgan Securities plc	160,844,677	5.0
Mediobanca – Banca di Credito Finanziario S.p.A	160,844,677	5.0
Morgan Stanley Securities Limited	160,844,677	5.0
RBC Europe Limited	80,422,339	2.5
SMBC Nikko Capital Markets Limited	80,422,339	2.5
Total	<u>3,216,893,546</u>	<u>100</u>

15.1.6 If any of the conditions are not satisfied (or waived) or become incapable of being satisfied by the required time and date therefor (or such later time and date as may be agreed between the Company and the Initial Underwriters) then the Underwriters’ and the Global Co-ordinator’s obligations under the Underwriting Agreement shall cease and determine, without prejudice to any liability for any prior breach of the Underwriting Agreement and pursuant to certain surviving provisions.

15.1.7 The Initial Underwriters may (for themselves and on behalf of the Additional Underwriters and the Global Co-ordinator) terminate the Underwriting Agreement prior to Admission (nil paid), in certain circumstances including (without limitation) for material adverse change and *force majeure*. The Underwriting Agreement cannot be terminated after Admission (nil paid).

15.1.8 The Company has agreed to pay or cause to be paid (together with any related value added tax) certain costs, charges, fees and expenses of, or in connection with, or incidental to, amongst others, the Rights Issue, the allotment and issue of the New Ordinary Shares, Admission and the Underwriting Agreement.

- 15.1.9 The Company has given certain representations, warranties, undertakings and indemnities to the Underwriters and the Global Co-ordinator. The liabilities of the Company under the Underwriting Agreement are not limited as to time or amount. Each Underwriter has agreed that neither it nor any person acting on its behalf will procure subscribers for any of the New Ordinary Shares, the Nil Paid Rights or the Fully Paid Rights other than in accordance with certain selling restrictions.
- 15.1.10 The Company has given certain undertakings including, but not limited to, that, subject to certain exceptions described below it will not, during the period ending on the settlement of any rump (in the case of (i) below) and ending on 90 calendar days after the last acceptance date under the Rights Issue (in the case of (ii) to (v) below), or, in either case if earlier, the date on which the Underwriting Agreement is terminated, without the prior written consent of the Initial Underwriters (i) undertake any consolidation or sub-division of its share capital or any capitalisation issue; (ii) directly or indirectly, offer, issue, pledge, sell, lend, contract to sell, issue or sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, deposit into any depository receipt facility or otherwise transfer or dispose of any Ordinary Shares (or any interest therein or in respect of) or any securities convertible into or exercisable or exchangeable for or representing a right to receive Ordinary Shares, substantially similar securities or any other interest therein or file any registration statement under the Securities Act with respect to any of the foregoing; (iii) otherwise enter into any transaction (including any derivative transaction) directly or indirectly, permanently or temporarily, to dispose of Ordinary Shares; (iv) enter into any swap, forward sale, option or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Ordinary Shares, whether any such swap, forward sale, option, agreement or transaction is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise; or (v) announce publicly any intention to enter into any transaction described in (i) to (iv) above. The foregoing restrictions shall not apply to (a) any securities issued or purchased for the purposes of raising or retiring Additional Tier 1 Capital or Tier 2 Capital for the Company or the Group, provided, in the case of Additional Tier 1 Capital, that the Company gives prior notice to the Initial Underwriters, where reasonably practicable, of any such intended issuance or purchase; (b) any Ordinary Shares issued by the Company upon exercise of an option or warrant or the conversion of a security outstanding on the date of the Underwriting Agreement and disclosed in this Prospectus; (c) any Ordinary Shares issued or options or awards to subscribe for Ordinary Shares granted pursuant to (aa) employee benefit plans of the Company disclosed in this Prospectus, or (bb) dividend reinvestment arrangements or other scrip dividend arrangements, in each case in accordance with normal practice; or (d) any securities issued to a vendor as consideration for an acquisition provided that the Company procures that the vendor shall be subject to an undertaking in a substantially similar form to that set out above in respect of such securities received as consideration. For the purposes of this undertaking, the terms “Additional Tier 1 Capital” and “Tier 2 Capital” have the meaning set out in the CRD IV taking into account the relevant transitional provisions.
- 15.1.11 Each of the Initial Underwriters has undertaken from the date of the Underwriting Agreement, and each of the Additional Underwriters has undertaken from the date of its appointment, in each case until the third Business Day after the last acceptance date under the Rights Issue that, subject to certain exceptions in the Underwriting Agreement, it will not, and will not cause any of its affiliates to, without the prior consent of the Company, enter into any transaction involving the Nil Paid Rights, the Fully Paid Rights, Ordinary Shares or derivatives relating thereto (including securities and derivatives which reference any market or sector index) which is intended to directly or indirectly have the economic effect of hedging or otherwise mitigating the economic risk associated with its underwriting commitments under the Underwriting Agreement (including short selling for their own proprietary trading account, including a short position on the Ordinary Shares associated with the purchase of the Nil Paid Rights or entering into transactions to achieve a substantially market-neutral position).

16. Working capital

The Company is of the opinion that, taking into account the net Underwritten Proceeds and existing cash resources available to the Group, the Group has sufficient working capital for its present requirements, that is, for at least the 12 months following the date of publication of this Prospectus.

17. Significant change

Save for (i) the reduction in the Group's adjusted income in July and August 2013 which was £0.5 billion lower than in the comparable period in 2012 and (ii) the resulting 5% reduction in the Group's adjusted income for the eight month period ended 31 August 2013 compared to those months in 2012 disclosed in paragraph 5 ("*Current Trading and Prospects*") in Part I "*Letter from the Chairman of Barclays PLC*", there has been no significant change in the financial or trading position of the Group since 30 June 2013, the date to which the unaudited financial statements in the Interim Results are prepared.

18. Legal and Regulatory proceedings

Save as disclosed in paragraphs 18.1 to 18.12 below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus which may have, or have had a significant effect on the financial position or profitability of the Group.

18.1 Investigations into certain agreements

The FCA has investigated certain agreements, including two advisory services agreements entered into by Barclays Bank with Qatar Holding LLC ("**Qatar Holding**") in June and October 2008 respectively, and whether these may have related to Barclays' capital raisings in June and November 2008.

The FCA issued warning notices (the "**Warning Notices**") against Barclays and Barclays Bank on 13 September 2013.

The existence of the advisory services agreement entered into in June 2008 was disclosed but the entry into the advisory services agreement in October 2008 and the fees payable under both agreements, which amount to a total of £322 million payable over a period of five years, were not disclosed in the announcements or public documents relating to the capital raisings in June and November 2008. While the Warning Notices consider that Barclays and Barclays Bank believed at the time that there should be at least some unspecified and undetermined value to be derived from the agreements, they state that the primary purpose of the agreements was not to obtain advisory services but to make additional payments, which would not be disclosed, for the Qatari participation in the capital raisings. The Warning Notices conclude that Barclays and Barclays Bank were in breach of certain disclosure-related Listing Rules and Barclays was also in breach of Listing Principle 3 (the requirement to act with integrity towards holders and potential holders of the Company's shares). In this regard, the FCA considers that Barclays and Barclays Bank acted recklessly. The financial penalty in the Warning Notices against the Group is £50 million. However, Barclays and Barclays Bank continue to contest the findings.

The Serious Fraud Office is investigating the same agreements. Its investigation is at an earlier stage and the Group has received and continues to respond to requests for further information.

The DOJ and the SEC are undertaking an investigation into whether the Group's relationships with third parties who assist Barclays to win or retain business are compliant with the United States Foreign Corrupt Practices Act. They are also investigating the agreements referred to above including the two advisory services agreements. The US Federal Reserve has requested to be kept informed of these matters.

It is not possible to estimate the full impact on the Group if the final conclusion of these matters is adverse.

18.2 Interchange investigations

The Office of Fair Trading, as well as other competition authorities elsewhere in Europe, continues to investigate Visa and MasterCard credit and debit interchange rates. Barclays receives interchange fees, as a card issuer, from providers of card acquiring services to merchants. The key risks arising from the investigations comprise the potential for fines imposed by competition authorities, litigation and proposals for new legislation. Barclays may be required to pay fines or damages and could be affected by legislation amending interchange rules. It is not currently possible to predict the likelihood or potential financial impact of these risks on the Group.

18.3 Investigations into LIBOR, ISDAfix and other benchmarks

The FCA, the U.S. Commodity Futures Trading Commission (the “CFTC”), the SEC, the U.S. DOJ Fraud Section (the “DOJ-FS”) and Antitrust Division (the “DOJ-AD”), the Commission, the UK Serious Fraud Office, the Monetary Authority of Singapore, the Japan Financial Services Agency, the prosecutors’ office in Trani, Italy and various U.S. state attorneys general are amongst various authorities conducting investigations (the “Investigations”) into submissions made by Barclays Bank and other financial institutions to the bodies that set or compile various financial benchmarks, such as the London Interbank Offered Rate (“LIBOR”) and the Euro Interbank Offered Rate (“EURIBOR”).

On 27 June 2012, Barclays Bank announced that it had reached settlements with the FSA (as predecessor to the FCA), the CFTC and the DOJ-FS in relation to their Investigations and Barclays Bank agreed to pay total penalties of £290 million, which were reflected in operating expenses for 2012. The settlements were made by entry into a Settlement Agreement with the FSA, a Non-Prosecution Agreement (“NPA”) with the DOJ-FS and a Settlement Order Agreement with the CFTC (the “CFTC Order”). In addition, Barclays Bank was granted conditional leniency from the DOJ-AD in connection with potential U.S. antitrust law violations with respect to financial instruments that reference EURIBOR.

The terms of the Settlement Agreement with the FSA are confidential. However, the Final Notice of the FSA, which imposed a financial penalty of £59.5 million, is publicly available on the website of the FCA. This sets out the FSA’s reasoning for the penalty, references the settlement principles and sets out the factual context and justification for the terms imposed. Summaries of the NPA and the CFTC Order are set out below. The full text of the NPA and the CFTC Order are publicly available on the websites of the DOJ and the CFTC, respectively.

In addition to a US\$200 million civil monetary penalty, the CFTC Order requires Barclays Bank to cease and desist from further violations of specified provisions of the U.S. Commodity Exchange Act and take specified steps to ensure the integrity and reliability of its benchmark interest rate submissions, including LIBOR and EURIBOR, and improve related internal controls. Amongst other things, the CFTC Order requires Barclays Bank to:

- make its submissions based on certain specified factors, with Barclays Bank’s transactions being given the greatest weight, subject to certain specified adjustments and considerations;
- implement firewalls to prevent improper communications including between traders and submitters;
- prepare and retain certain documents concerning submissions and retain relevant communications;
- implement auditing, monitoring and training measures concerning its submissions and related processes;
- make regular reports to the CFTC concerning compliance with the terms of the CFTC Order;
- use best efforts to encourage the development of rigorous standards for benchmark interest rates; and
- continue to cooperate with the CFTC’s ongoing investigation of benchmark interest rates.

As part of the NPA, Barclays Bank agreed to pay a US\$160 million penalty. In addition, the DOJ agreed not to prosecute Barclays Bank for any crimes (except for criminal tax violations, as to which the DOJ cannot and does not make any agreement) related to Barclays Bank’s submissions of benchmark interest rates, including LIBOR and EURIBOR, contingent upon Barclays Bank’s satisfaction of specified obligations under the NPA. In particular, under the NPA, Barclays Bank agreed for a period of two years from 26 June 2012, amongst other things, to:

- commit no United States crime whatsoever;
- truthfully and completely disclose non-privileged information with respect to the activities of Barclays Bank, its officers and employees, and others concerning all matters about which the DOJ inquires of it, which information can be used for any purpose, except as otherwise limited in the NPA;
- bring to the DOJ’s attention all potentially criminal conduct by Barclays Bank or any of its employees that relates to fraud or violations of the laws governing securities and commodities markets; and
- bring to the DOJ’s attention all criminal or regulatory investigations, administrative proceedings or civil actions brought by any governmental authority in the United States by or against Barclays Bank or its employees that alleges fraud or violations of the laws governing securities and commodities markets.

Barclays Bank also agreed to cooperate with the DOJ and other government authorities in the United States in connection with any investigation or prosecution arising out of the conduct described in the NPA, which commitment shall remain in force until all such investigations and prosecutions are concluded. Barclays Bank also continues to cooperate with the other ongoing investigations.

Following the settlements announced on 27 June 2012, 38 U.S. state attorneys general commenced their own investigations into LIBOR, EURIBOR and the Tokyo Interbank Offered Rate. The New York Attorney General, on behalf of this coalition of attorneys general, issued a subpoena dated 17 July 2012 to Barclays Bank (and subpoenas to a number of other banks) to produce wide-ranging information and has since issued additional information requests to Barclays Bank for both documents and transactional data. Barclays Bank is responding to these requests on a rolling basis. In addition, following the settlements the SFO announced on 6 July 2012 that it had decided formally to accept the LIBOR matter for investigation, in respect of which Barclays Bank has received and continues to respond to requests for information.

The Commission has also been conducting investigations into the manipulation of, among other things, EURIBOR. Barclays is a party to the Commission's EURIBOR investigation and continues to cooperate. The Commission has publicly stated that it hopes to be ready to adopt a decision in respect of its investigations towards the end of 2013.

The CFTC and the FCA are also conducting separate investigations into historical practices with respect to ISDAfix, amongst other benchmarks. Barclays Bank has received and continues to respond to subpoenas and requests for information from the CFTC.

It is not practicable to provide an estimate of the financial impact of the matters in this paragraph 18.3 or what effect, if any, that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

See "*LIBOR and other benchmarks civil actions*" in paragraph 18.12 of this Part VIII for a discussion of litigation arising in connection with the Investigations.

18.4 Interest rate hedging products redress

On 29 June 2012, the FSA announced that a number of UK banks, including Barclays Bank, would be conducting a review and redress exercise in respect of interest rate hedging products sold on or after December 2001 to retail clients or private customers that are categorised as non-sophisticated for the purposes of the review. During the second half of 2012, Barclays Bank completed a pilot review of a sample of individual cases. On 31 January 2013, the FSA issued a report on the findings of an initial pilot review conducted by Barclays Bank and a number of other banks. The report included a number of changes and clarifications to the requirements under which the main review and redress exercise should be conducted and Barclays Bank agreed to conduct the exercise in line with the approach set out in that report.

There are approximately 4,000 retail clients or private customers to which interest rate hedging products were sold within the relevant timeframe, of which approximately 2,900 have been categorised as non-sophisticated under the terms of the agreement. As at 31 December 2012, a provision of £850 million had been recognised, reflecting management's best estimate of future redress to customers categorised as non-sophisticated and related costs. The estimate was based on an extrapolation of the results of the initial pilot exercise across the population. The provision recognised in the balance sheet as at 31 December 2012 was £814 million, after utilisation of £36 million during 2012, primarily related to administrative costs.

During 2013, additional cases have been reviewed providing a larger and more representative sample upon which to base Barclays Bank's provision. As a result, an additional provision of £650 million was recognised as at 30 June 2013, bringing the cumulative expense to £1,500 million. As at 30 June 2013, the provision on the balance sheet was £1,349 million reflecting cumulative utilisation of £151 million.

No provision has been recognised in relation to claims from retail clients or private customers categorised as sophisticated, which are not covered by the redress exercise, or incremental consequential loss claims from customers categorised as non-sophisticated. These will be monitored and future provisions will be recognised to the extent an obligation resulting in a probable outflow is identified.

While the Group expects that the provision as at 30 June 2013 will be sufficient to cover the full cost of completing the redress, the appropriate provisions level will be kept under review and it is possible that the eventual costs could materially differ to the extent experience is not in line with management estimates.

18.5 Payment protection insurance redress

Following the conclusion of the 2011 Judicial Review regarding the assessment and redress of PPI, a provision for PPI redress of £1.0 billion was raised in May 2011 based on FSA guidelines and historic industry experience in resolving similar claims. Subsequently, further provisions totalling £1.6 billion were raised during 2012.

Due to the rate of decline in monthly claims volumes being less than previously expected, an additional provision of £1.35 billion was recognised in June 2013 (bringing the total provisions to £3.95 billion) to reflect updated assumptions regarding future claims volumes, including a provision for operational costs through to December 2014. As at 30 June 2013 £2.3 billion of the provision has been utilised, leaving a residual provision of £1.65 billion.

The basis of the current provision is calculated from a number of key assumptions which continue to involve significant management judgement and modelling:

- Customer initiated claim volumes — claims received but not yet processed and an estimate of future claims initiated by customers where the volume is anticipated to decline over time
- Proactive response rate — volume of claims in response to proactive mailing
- Uphold rate — the percentage of claims that are upheld as being valid upon review
- Average claim redress — the expected average payment to customers for upheld claims based on the type and age of the policy / policies

The provision also includes an estimate of the Group's claims handling costs and those costs associated with claims that are subsequently referred to the FOS.

The Group will continue to monitor actual claims volumes and the assumptions underlying the calculation of its PPI provision. It is possible that the eventual costs may materially differ to the extent that actual experience is not in line with management estimates.

18.6 Federal Energy Regulatory Commission investigation

The United States Federal Energy Regulatory Commission (the "FERC") Office of Enforcement has been investigating the Group's power trading in the western U.S. with respect to the period from late 2006 through 2008. On 31 October 2012, the FERC issued a public Order to Show Cause and Notice of Proposed Penalties ("Order and Notice") against Barclays Bank in relation to this matter. In the Order and Notice the FERC asserts that Barclays Bank violated the FERC's Anti-Manipulation Rule by manipulating the electricity markets in and around California from November 2006 to December 2008, and proposed civil penalties and profit disgorgement to be paid by Barclays Bank. On 16 July 2013 the FERC issued an Order Assessing Civil Penalties in which it assessed a US\$435 million civil penalty against Barclays Bank and ordered Barclays Bank to disgorge an additional US\$34.9 million of profits plus interest (both of which are consistent with the amounts proposed in the Order and Notice). In order to attempt to collect the penalty and disgorgement amount, FERC must file a civil action in federal court, which could occur at any time on or after 16 September 2013. Barclays intends to vigorously defend this matter. In September 2013, Barclays was contacted by the criminal division of the United States Attorney's Office in the Southern District of New York and advised that such office is looking at the same conduct at issue in the FERC matter.

18.7 Credit Default Swap (CDS) antitrust investigations

Both the Commission and the DOJ-AD have commenced investigations in the CDS market (in 2011 and 2009, respectively). On 1 July 2013 the Commission addressed a Statement of Objections to Barclays Bank and 12 other banks, Markit and ISDA. The case relates to concerns that certain banks took collective action to delay and prevent the emergence of exchange traded credit derivative products. If the Commission does reach a decision in this matter it has indicated that it intends to impose sanctions. The Commission's sanctions can include fines. The DOJ-AD's investigation is a civil investigation and relates to similar issues. Putative class actions alleging similar issues have also been filed in the U.S. The timing of these cases is uncertain and it is not possible to provide an estimate of the potential financial impact of this matter on the Group.

18.8 Lehman Brothers

On 15 September 2009, motions were filed in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") by Lehman Brothers Holdings Inc. ("LBHI"), the SIPA

Trustee for Lehman Brothers Inc. (the “Trustee”) and the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc. (the “Committee”). All three motions challenged certain aspects of the transaction pursuant to which Barclays Capital Inc. (“BCI”) and other companies in the Group acquired most of the assets of Lehman Brothers Inc. (“LBI”) in September 2008 and the court order approving such sale (the “Sale”). The claimants were seeking an order voiding the transfer of certain assets to BCI; requiring BCI to return to the LBI estate alleged excess value BCI received; and declaring that BCI is not entitled to certain assets that it claims pursuant to the sale documents and order approving the Sale (the “Rule 60 Claims”). On 16 November 2009, LBHI, the Trustee and the Committee filed separate complaints in the Bankruptcy Court asserting claims against BCI based on the same underlying allegations as the pending motions and seeking relief similar to that which is requested in the motions. On 29 January 2010, BCI filed its response to the motions and also filed a motion seeking delivery of certain assets that LBHI and LBI have failed to deliver as required by the sale documents and the court order approving the Sale (together with the Trustee’s competing claims to those assets, the “Contract Claims”). Approximately US\$4.5 billion (£3.0 billion) of the assets acquired as part of the acquisition had not been received by 30 June 2013, approximately US\$3.4 billion (£2.3 billion) of which have been recognised as a receivable on the balance sheet as at 30 June 2013. The receivable reflects an increase of \$0.4 billion (£0.3 billion) recognised in profit or loss during the period, primarily as a result of greater certainty regarding the recoverability of US\$769 million (£0.5 billion) from the Trustee in respect of LBI’s 15c3-3 reserve account assets. On 16 July 2013, the Trustee paid this amount to BCI. This results in an effective provision as of 30 June 2013 of US\$1.1 billion (£0.7 billion) against the uncertainty inherent in the litigation and issues relating to the recovery of certain assets held by institutions outside the United States.

On 22 February 2011, the Bankruptcy Court issued its Opinion in relation to these matters, rejecting the Rule 60 Claims and deciding some of the Contract Claims in the Trustee’s favour and some in favour of BCI. On 15 July 2011, the Bankruptcy Court entered final Orders implementing its Opinion. BCI and the Trustee each appealed the Bankruptcy Court’s adverse rulings on the Contract Claims to the United States District Court for the Southern District of New York (the “District Court”). LBHI and the Committee did not pursue an appeal from the Bankruptcy Court’s ruling on the Rule 60 Claims. After briefing and argument, the District Court issued its Opinion on 5 June 2012 in which it reversed one of the Bankruptcy Court’s rulings on the Contract Claims that had been adverse to BCI and affirmed the Bankruptcy Court’s other rulings on the Contract Claims. On 17 July 2012, the District Court issued an amended Opinion, correcting certain errors but not otherwise affecting the rulings, and an agreed judgment implementing the rulings in the Opinion (the “Judgment”). BCI and the Trustee have each appealed the adverse rulings of the District Court to the United States Court of Appeals for the Second Circuit.

Under the Judgment, BCI is entitled to receive: (i) US\$1.1 billion (£0.7 billion) from the Trustee in respect of “clearance box” assets; (ii) property held at various institutions to secure obligations under the exchange-traded derivatives transferred to BCI in the Sale (the “ETD Margin”), subject to the proviso that BCI will be entitled to receive US\$507 million (£0.3 billion) of the ETD Margin only if and to the extent the Trustee has assets available once the Trustee has satisfied all of LBI’s customer claims; and (iii) US\$769 million (£0.5 billion) from the Trustee in respect of LBI’s 15c3-3 reserve account assets only if and to the extent the Trustee has assets available once the Trustee has satisfied all of LBI’s customer claims.

A portion of the ETD Margin which has not yet been recovered by BCI or the Trustee is held or owed by certain institutions outside the United States (including several Lehman affiliates that are subject to insolvency or similar proceedings). As at the date of this Prospectus, Barclays Bank cannot reliably estimate how much of the ETD Margin held or owed by such institutions BCI is ultimately likely to receive. On 7 June 2013, the Trustee announced that he was commencing additional distributions to former securities customers of LBI and would continue to make distributions until all customer claims have been fully paid. On 2 July 2013, the Trustee notified BCI that such distributions were “substantially complete.” Pursuant to a Stipulation and Order dated 24 April 2013, the Trustee had previously reserved US\$5.6 billion (£3.7 billion) which was to be available to pay any amounts ultimately due to BCI, including the US\$507 million (£0.3 billion) in respect of ETD Margin and the US\$769 million (£0.5 billion) in respect of LBI’s 15c3-3 reserve account assets. On 16 July 2013, the Trustee paid BCI the US\$769 million (£0.5 billion).

The US\$3.4 billion (£2.3 billion) recognised on Barclays Bank’s balance sheet as at 30 June 2013 is consistent with a scenario in which the District Court’s rulings are unaffected by future proceedings, but conservatively assuming no recovery by BCI of any of the ETD Margin not yet recovered by BCI or the Trustee that is held or owed by institutions outside the United States. In such case, to the extent BCI recovers ETD Margin held or owed by institutions outside of the United States, the value of such

recovered margin would therefore result in a gain to BCI. However, there remains a significant degree of uncertainty with respect to the value of such ETD Margin to which BCI is entitled or that BCI may recover. In a worst case scenario in which the Court of Appeals reverses the District Court's rulings and determines that Barclays is not entitled to any of the clearance box assets or ETD Margin, Barclays estimates that, after taking into account its effective provision, its total losses would be approximately US\$6.0bn (£4.0bn). Approximately, US\$3.3bn (£2.2bn) of that loss would relate to clearance box assets and ETD Margin previously received by Barclays and pre-judgement and post-judgement interest on such clearance box assets and ETD Margin that would have to be returned or paid to the Trustee. In this context, Barclays is satisfied with the valuation of the asset recognised on its balance sheet and the resulting level of effective provision.

18.9 American Depositary Shares

Barclays, Barclays Bank and various current and former members of the Board have been named as defendants in five proposed securities class actions (which have been consolidated) pending in the United States District Court for the Southern District of New York (the "**Court**"). The consolidated amended complaint, dated 12 February 2010, alleges that the registration statements relating to American Depositary Shares representing preferred stock, series 2, 3, 4 and 5 (the "**Preferred Stock ADS**") offered by Barclays Bank at various times between 2006 and 2008 contained misstatements and omissions concerning (amongst other things) Barclays Bank's portfolio of mortgage-related (including US subprime-related) securities, Barclays Bank's exposure to mortgage and credit market risk and Barclays Bank's financial condition. The consolidated amended complaint asserts claims under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933. In January 2011, the Court granted the defendants' motion to dismiss the complaint in its entirety, closing the case. In February 2011, the plaintiffs filed a motion asking the Court to reconsider in part its dismissal order, and, in May 2011, the Court denied in full the plaintiffs' motion for reconsideration. The plaintiffs appealed both decisions (the grant of the defendants' motion to dismiss and the denial of the plaintiffs' motion for reconsideration) to the United States Court of Appeals for the Second Circuit (the "**Second Circuit**").

On 19 August 2013, the Second Circuit upheld the dismissal of the plaintiffs' claims related to the series 2, 3 and 4 offerings finding that they were time barred. However, the Second Circuit ruled that the plaintiffs should have been permitted to file an amended complaint in relation to the series 5 offering claims. The actions have been sent back to the Court by the Second Circuit and the plaintiffs have been granted leave to file their amended complaint as it relates to the series 5 offering claims.

Barclays Bank considers that these Preferred Stock ADS-related claims against it are without merit and is defending them vigorously. As at the date of this Prospectus, it is not practicable to estimate the Group's possible loss in relation to these claims or any effect that they might have upon operating results in any particular financial period.

18.10 US Federal Housing Finance Agency and other residential mortgage-backed securities litigation

The US Federal Housing Finance Agency ("**FHFA**"), acting for two US government sponsored enterprises, Fannie Mae and Freddie Mac (collectively, the "**GSEs**"), filed lawsuits against 17 financial institutions in connection with the GSEs' purchases of residential mortgage-backed securities ("**RMBS**"). The lawsuits allege, amongst other things, that the RMBS offering materials contained materially false and misleading statements and/or omissions. Barclays Bank and/or certain of its affiliates or former employees are named in two of these lawsuits, relating to sales between 2005 and 2007 of RMBS, in which BCI was lead or co-lead underwriter.

Both complaints demand, amongst other things: rescission and recovery of the consideration paid for the RMBS; and recovery for the GSEs' alleged monetary losses arising out of their ownership of the RMBS. The complaints are similar to other civil actions filed against Barclays Bank and/or certain of its affiliates by other plaintiffs, including the Federal Home Loan Bank of Seattle, Federal Home Loan Bank of Boston, Federal Home Loan Bank of Chicago, Cambridge Place Investment Management, Inc., HSH Nordbank AG (and affiliates), Sealink Funding Limited, Landesbank Baden-Württemberg (and affiliates), Deutsche Zentral-Genossenschaftsbank AG (and affiliates) and Stichting Pensioenfonds ABP, Royal Park Investments SA/NV, Bayerische Landesbank, John Hancock Life Insurance Company (and affiliates), Prudential Life Insurance Company of America (and affiliates) and the National Credit Union Administration relating to purchases of RMBS. Barclays considers that the claims against it are without merit and intends to defend them vigorously.

The original amount of RMBS related to the claims against Barclays Bank in the FHFA cases and the other civil actions against the Group totalled approximately US\$8.7 billion, of which approximately

US\$2.6 billion was outstanding as at 30 June 2013. Cumulative losses reported on these RMBS as at 30 June 2013 were approximately US\$0.5 billion. If Barclays Bank were to lose these cases Barclays believes it could incur a loss of up to the outstanding amount of the RMBS at the time of judgment (taking into account further principal payments after 30 June 2013), plus any cumulative losses on the RMBS at such time and any interest, fees and costs, less the market value of the RMBS at such time. Barclays Bank has estimated the total market value of the RMBS as at 30 June 2013 to be approximately US\$1.6 billion. Barclays Bank may be entitled to indemnification for a portion of any losses. These figures do not include two related class actions brought on behalf of a putative class of investors in RMBS issued by Countrywide and underwritten by BCI and other underwriters, in which Barclays Bank is indemnified by Countrywide.

18.11 Devonshire Trust

On 13 January 2009, Barclays Bank commenced an action in the Ontario Superior Court (the “Court”) seeking an order that its early terminations earlier that day of two credit default swaps under an ISDA Master Agreement with the Devonshire Trust (“Devonshire”), an asset-backed commercial paper conduit trust, were valid. On the same day, Devonshire purported to terminate the swaps on the ground that Barclays Bank had failed to provide liquidity support to Devonshire’s commercial paper when required to do so. On 7 September 2011, the Court ruled that Barclays Bank’s early terminations were invalid, Devonshire’s early terminations were valid and, consequently, Devonshire was entitled to receive back from Barclays cash collateral of approximately C\$533 million together with accrued interest thereon. Barclays Bank appealed the Court’s decision to the Court of Appeal for Ontario. On 26 July 2013, the Court of Appeal delivered its decision dismissing Barclays Bank’s appeal. Barclays is currently considering its options with respect to the decision. If the Court of Appeal’s decision were to be unaffected by future proceedings, Barclays Bank estimates that its loss would be approximately C\$500 million, less any impairment provisions recognised to date. Barclays has updated these provisions to take full account of the Court of Appeal’s decision.

18.12 LIBOR and other benchmarks civil actions

Following the settlements of the Investigations referred to in paragraph 18.3 “*Investigations into LIBOR, ISDAfix and other benchmarks*” above, a number of individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Group in relation to LIBOR and/or other benchmarks. As at the date of this prospectus, it is not possible to estimate the Group’s possible loss in relation to these claims or what effect, if any, they might have upon operating results, cash flows or the Group’s financial position in any particular financial period.

Barclays Bank and other banks have been named as defendants in class action and non-class action lawsuits pending in United States Federal Courts in connection with their roles as contributor panel banks to US Dollar LIBOR, the first of which was filed on 15 April 2011. The complaints are substantially similar and allege, amongst other things, that Barclays Bank and the other banks individually and collectively violated various provisions of the Sherman Act, the US Commodity Exchange Act, the Racketeer Influenced and Corrupt Organizations Act (RICO) and various state laws by suppressing or otherwise manipulating US Dollar LIBOR rates. The lawsuits seek an unspecified amount of damages and trebling of damages under the Sherman and RICO Acts. The proposed class actions purport to be brought on behalf of (amongst others) plaintiffs that (i) engaged in US Dollar LIBOR-linked over-the-counter transactions; (ii) purchased US Dollar LIBOR-linked financial instruments on an exchange; (iii) purchased US Dollar LIBOR-linked debt securities; (iv) purchased adjustable-rate mortgages linked to US Dollar LIBOR; or (v) issued loans linked to US Dollar LIBOR. The majority of the US Dollar LIBOR cases are consolidated before one United States District Court in the Southern District of New York (the “Court”). On 29 March 2013, the Court issued a decision dismissing the majority of claims against Barclays Bank and other panel bank defendants in six leading cases, including three proposed class actions.

Following the decision, plaintiffs in the three proposed class actions moved the Court for permission to either file an amended complaint or appeal an aspect of the decision.

On 23 August 2013, the Court issued an order denying the majority of the motions presented by the three proposed class action plaintiffs. As a result of this order, a proposed class action pertaining to the purchase of U.S. Dollar LIBOR-linked debt securities has been dismissed entirely; the claims alleged in a proposed class action pertaining to the purchase of U.S. Dollar-linked financial instruments on an exchange are limited to claims under the US Commodity Exchange Act; and the claims in a proposed class action relating to allegations of plaintiffs that engaged in U.S. Dollar LIBOR-linked over-the-counter

transactions are limited to claims for unjust enrichment and breach of implied covenant of good faith and fair dealing. Some, but not all, aspects of the judge's decision are appealable within 30 days.

The plaintiffs in the other three actions filed a new action in state court based on the same allegations as those initially alleged in the proposed class action cases discussed above. Defendants, including Barclays Bank, have removed that action to federal court and are currently seeking to have it transferred back to the Court. Additionally, a number of other actions before the Court remain stayed, pending further proceedings in the lead actions.

Until there are further proceedings, the ultimate impact of the Court's decision will be unclear, although it is possible that the decision will be interpreted by courts to affect other litigation, including the actions described below, some of which concern different benchmark interest rates.

An additional individual US Dollar LIBOR action was commenced on 13 February 2013 in the United States District Court for the Southern District of New York against Barclays Bank and other banks. Plaintiffs allege that defendants conspired to increase US Dollar LIBOR, which caused the value of bonds pledged as collateral for a loan to decrease, ultimately resulting in the sale of the bonds at the bottom of the market. This action has been assigned to a different judge in the Southern District of New York, and is proceeding on a different schedule than is the consolidated action, with a motion to dismiss to be fully submitted to the court by the end of 2013.

An additional class action was commenced on 30 April 2012 in the United States District Court for the Southern District of New York against Barclays Bank and other Japanese Yen LIBOR panel banks by plaintiffs involved in exchange-traded derivatives. The complaint also names members of the Japanese Bankers Association's Euroyen Tokyo Interbank Offered Rate ("TIBOR") panel, of which Barclays Bank is not a member. The complaint alleges, amongst other things, manipulation of the Euroyen TIBOR and Yen LIBOR rates and breaches of US antitrust laws between 2006 and 2010. The defendants have filed a motion to dismiss, which will be fully submitted to the Court by the end of 2013.

A further class action was commenced on 6 July 2012 in the District Court against Barclays Bank and other EURIBOR panel banks by plaintiffs that purchased or sold EURIBOR-related financial instruments. The complaint alleges, amongst other things, manipulation of the EURIBOR rate and breaches of the Sherman Act and the US Commodity Exchange Act beginning as early as 1 January 2005 and continuing through to 31 December 2009. On 23 August 2012, the plaintiffs voluntarily dismissed the complaint.

On 12 February 2013, a class action was commenced against Barclays Bank and other EURIBOR panel banks by plaintiffs that purchased or sold a NYSE LIFFE EURIBOR futures contract. The complaint alleges manipulation of the EURIBOR rate and violations of the Sherman Act beginning as early as 1 June 2005 and continuing through 30 June 2010. The action is currently pending in the United States District Court for the Southern District of New York. The plaintiffs have indicated that they plan to file an amended complaint before the end of 2013.

In addition, Barclays Bank has been granted conditional leniency from the DOJ-AD in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR. As a result of that grant of conditional leniency, Barclays Bank is eligible for (i) a limit on liability to actual rather than treble damages if damages were to be awarded in any civil antitrust action under US antitrust law based on conduct covered by the conditional leniency and (ii) relief from potential joint-and-several liability in connection with such civil antitrust action, subject to Barclays Bank satisfying the DOJ and the court presiding over the civil litigation of its satisfaction of its cooperation obligations.

Barclays Bank has also been named as a defendant along with four current and former officers and directors of Barclays Bank in a proposed securities class action pending in the United States District Court for the Southern District of New York in connection with Barclays Bank's role as a contributor panel bank to LIBOR. The complaint principally alleges that Barclays Bank's Annual Reports for the years 2006 to 2011 contained misstatements and omissions concerning (amongst other things) Barclays Bank's compliance with its operational risk management processes and certain laws and regulations. The complaint also alleged that Barclays Bank's daily US Dollar LIBOR submissions constituted false statements in violation of US securities law. The complaint was brought on behalf of a proposed class consisting of all persons or entities that purchased American Depositary Receipts sponsored by Barclays Bank on an American securities exchange between 10 July 2007 and 27 June 2012. The complaint asserts claims under Sections 10(b) and 20(a) of the US Securities Exchange Act 1934. On 13 May 2013, the court granted Barclays Bank's motion to dismiss the complaint in its entirety. Plaintiffs' motion for reconsideration of that dismissal was denied on 13 June 2013. Plaintiffs filed a notice of appeal with the United States Court of Appeals for the Second Circuit on 12 July 2013, and the appeal will be fully submitted to the Court of Appeals by the end of 2013.

In addition to US actions, legal proceedings have been brought or threatened against Barclays Bank in connection with alleged manipulation of LIBOR and EURIBOR, in a number of jurisdictions, including England and Wales and Italy. The number of such proceedings, the benchmarks to which they relate and the jurisdiction in which they may be brought are anticipated to increase over time.

It is not practicable to provide an estimate of the financial impact of the potential exposure of any of the actions described or what effect, if any, that they might have upon operating results, cash flows or the Group's financial position in any particular period.

18.13 Other legal and regulatory proceedings

Barclays, Barclays Bank and the Group are engaged in various other legal and regulatory proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it which arise in the ordinary course of business, including debt collection, consumer claims and contractual disputes. Barclays does not expect the ultimate resolution of any of these other proceedings to which the Group is party to have a material adverse effect on its results of operations, cash flows or the financial position of the Group and Barclays has not disclosed the contingent liabilities associated with these claims either because they cannot reliably be estimated or because such disclosure could be prejudicial to the conduct of the claims. Provisions have been recognised for those cases where Barclays is able reliably to estimate the probable loss where the probable loss is not de minimis. In relation to Card Protection Plan Limited ("CPP"), on the 22 August 2013 the FCA announced that it had reached an agreement with CPP and 13 high street banks and credit card issuers, including Barclays, for redress to be paid to customers who were mis-sold CPP's Card Protection and Identity Protection policies. As at 30 June 2013, a provision, based upon a number of assumptions including expected customer response rates, was held for the cost of redress and associated operational costs. Taking into account information known at this early stage of the redress process, Barclays considers that its existing provision is adequate.

19. Material contracts

Neither Barclays nor any other member of the Group has entered into any material contract, other than in the ordinary course of business, during the two years immediately preceding the date of this Prospectus, other than the Underwriting Agreement summarised in paragraph 15 of this Part VIII.

20. Related party transactions

Save as disclosed in: (a) Note 40 in Barclays' audited consolidated financial information for the year ended 31 December 2010, (b) Note 44 in Barclays' audited consolidated financial information for the year ended 31 December 2011, (c) Note 43 of Barclays' audited consolidated financial information for the year ended 31 December 2012 and (d) Note 22 in Barclays unaudited consolidated financial information for the six months ended 30 June 2013, each as incorporated by reference into this Prospectus, the Group has not entered into any transactions with related parties between 1 January 2010 and 12 September 2013, being the last practicable date for these purposes prior to the date of the publication of this Prospectus.

21. Dividends

The following table sets out the dividend per Ordinary Share for each financial year ended 31 December 2012, 2011 and 2010 and for the six months ended 30 June 2013:

	For the six months ended 30 June	For the year ended 31 December		
	2013	2012	2011	2010
Interim dividend (pence/Ordinary Share)	2.0	3.0	3.0	3.0
Final dividend (pence/Ordinary Share)	—	3.5	3.0	2.5

22. Consents

22.1 PricewaterhouseCoopers LLP whose registered office is at 7 More London Riverside, London SE1 2RT, United Kingdom is a member of the Institute of Chartered Accountants in England and Wales and has given and has not withdrawn its written consent to the inclusion of its reports set out in Part VI "Unaudited Pro Forma Financial Information on Barclays" of this Prospectus and the references to its reports and its name in the form and context in which they are respectively included and has authorised the contents of its reports for the purposes of item 5.5.3R(2)(f) of the Prospectus Rules.

23. General

- 23.1 The financial information concerning the Group contained in this Prospectus does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006. Full individual accounts of the Company and each of its subsidiary undertakings for each financial year to which the financial information relates and on which the auditors gave unqualified reports have been delivered to the Registrar of Companies. The consolidated financial statements of the Company in respect of the three years ended 31 December 2012 were reported on by PricewaterhouseCoopers LLP, a member of the Institute of Chartered Accountants for England and Wales, the auditors of the Company within the meaning of section 495 of the Companies Act 2006.
- 23.2 The Issue Price which is to be paid in cash represents a premium of 160 pence over the nominal value of 25 pence per New Ordinary Share.
- 23.3 The Rights Issue is underwritten by the Underwriters pursuant to the Underwriting Agreement, details of which are set out in paragraph 15 of this Part VIII.
- 23.4 The total costs, charges and expenses payable by the Company in connection with the Rights Issue are estimated to be £132 million (inclusive of VAT).
- 23.5 Because Barclays Bank PLC, the Global Co-ordinator and a Bookrunner for the Rights Issue, is affiliated with Barclays Capital Inc. (“BCI”), a member of the US Financial Industry Authority (“FINRA”), and both are subsidiaries of Barclays, FINRA views the participation of Barclays Bank PLC and BCI in such capacities as a conflict of interest as that term is defined in FINRA Rule 5121. Because of this relationship, the Rights Issue is being conducted in accordance with FINRA Rule 5121. Pursuant to that rule, the appointment of a “qualified independent underwriter” is not required because Credit Suisse, Deutsche Bank, BofA Merrill Lynch, and Citi are primarily responsible for managing the Rights Issue, do not have a conflict of interest, are not affiliated with any FINRA member that has a conflict of interest and meet the requirements of Rule 5121(f)(12)(E). Neither Barclays Bank PLC nor BCI will make sales in the Rights Issue or execute orders in the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares.

24. Documents for inspection

- 24.1 Copies of the following documents will be available for inspection during normal business hours on any Business Day at the offices of Clifford Chance LLP at 10 Upper Bank Street, London E14 5JJ, United Kingdom up to and including the date of Admission:
- (a) the Articles of Association;
 - (b) the reports by PricewaterhouseCoopers LLP referred to in Part IV “*Financial Information on Barclays*” and set out in Part VI “*Unaudited Pro Forma Financial Information on Barclays*” of this Prospectus;
 - (c) Barclays’ restated audited consolidated historical financial information for the years ended 31 December 2012, 2011 and 2010 filed with the SEC on Form 6-K on 6 September 2013;
 - (d) Barclays’ Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the FCA on 30 July 2013;
 - (e) Barclays’ US Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the SEC on Form 6-K on 30 July 2013;
 - (f) Barclays’ Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013;
 - (g) Barclays’ Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012;
 - (h) the consent letter referred to in paragraph 22 of this Part VIII; and
 - (i) this Prospectus.

25. Announcement of results of rights issue

The Company will make an appropriate announcement to a Regulatory Information Service giving details of the results of the Rights Issue on or about 4 October 2013.

Dated: 16 September 2013

PART IX
INFORMATION INCORPORATED BY REFERENCE

Barclays information

The following documents contain information which is required to be included in this Prospectus pursuant to the Prospectus Rules:

- Barclays' Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the FCA dated 30 July 2013 ("Barclays' UK Interim Results Announcement 2013");
- Barclays' Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the SEC on Form 6-K on 30 July 2013 ("Barclays' US Interim Results Announcement 2013");
- Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K on 6 September 2013;
- Barclays' Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013; and
- Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012.

Information incorporated by reference

The table below sets out the various sections of the documents referred to above which are incorporated by reference into this Prospectus so as to provide certain information required pursuant to the Prospectus Rules. It should be noted that other sections of such documents that are not incorporated by reference are either not relevant to Shareholders and others or are covered elsewhere in this Prospectus.

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
Barclays' US Interim Results Announcement 2013	Performance Highlights — Barclays Unaudited Results	4
	Group Performance Review — Income Statement	5
	Group Performance Review — Balance Sheet	6
	Group Performance Review — Capital Management	6
	Group Performance Review — Funding and Liquidity	7
	Results by Business	15 - 32
	Performance Management	37 - 43
	Risk Management	44 - 45
	Funding Risk	46 - 62
	Credit Risk	63 - 93
Barclays' UK Interim Results Announcement 2013	Market Risk	94
	Condensed Consolidated Income Statement	11
	Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income	12
	Condensed Consolidated Balance Sheet	13
	Condensed Consolidated Statement of Changes In Equity	14
	Condensed Consolidated Cash Flow Statement	15
	Independent Auditors' Review Report	96
	Financial Statement Notes	97 - 130
Barclays' Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013	Risk review — Credit risk	80 - 118
	Risk review — Market risk	119 - 125
	Risk review — Funding risk — Capital	126 - 135
	Risk review — Funding risk — Liquidity	136 - 150
	Financial review — Income statement commentary	167
	Financial review — Balance sheet commentary	169 - 170
	Financial review — Analysis of results by business	171 - 188
Risk management	273 - 303	
Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K dated 6 September 2013	Independent Registered Public Accounting Firm's report	8
	Consolidated Income Statement	9
	Consolidated Statement of Comprehensive Income	10
	Consolidated Balance Sheet	11
	Consolidated Statement of Changes in Equity	12 - 13
	Consolidated Cash Flow Statement	14
	Notes to the Financial Statements	18 - 100
Risk management report	134 - 166	

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	Independent Registered Public Accounting Firm's report	168
	Consolidated Income Statement	169
	Consolidated Statement of Comprehensive Income	170
	Consolidated Balance Sheet	171
	Consolidated Statement of Changes in Equity	172
	Consolidated Cash Flow Statement	173
	Notes to the Financial Statements	176 - 246
	Additional Information — Reconciliation of non-IFRS figures to IFRS figures	273 - 276

Availability of information

Copies of the documents referred to above from which information is incorporated herein by reference are available as provided in paragraph 24 in Part VIII "Additional Information" of this Prospectus.

Copies of the following documents are also available free of charge at the following website addresses:

<u>Reference document</u>	<u>Website address at which that document is available</u>
Barclays' UK Interim Results Announcement 2013	http://group.barclays.com/about-barclays/investor-relations/results-announcements
Barclays' US Interim Results Announcement 2013	http://www.sec.gov/Archives/edgar/data/312069/000119312513310377/0001193125-13-310377-index.htm
Barclays' restated audited financial statements for the years ended 31 December 2012 and 2011 filed with the SEC on Form 6-K on 6 September 2013	http://www.sec.gov/Archives/edgar/data/312069/000119312513359528/0001193125-13-359528-index.htm
Barclays' Annual Report 2012 filed with the SEC on Form 20-F on 13 March 2013	http://www.sec.gov/Archives/edgar/data/312069/000119312513105055/d497934d20f.htm
Barclays' Annual Report 2011 filed with the SEC on Form 20-F on 30 March 2012	http://www.sec.gov/Archives/edgar/data/312069/000119312512142026/0001193125-12-142026-index.htm

PART X
DEFINITIONS

In this Prospectus the following expressions and technical terms have the following meaning unless the context otherwise requires:

“7% fully loaded CET1 ratio trigger”	the trigger event which would lead to the write-down or conversion to CET1 capital of the relevant AT1, being when the Group’s fully loaded CET1 ratio falls to 7%
“ABN AMRO”	ABN AMRO Bank N.V.
“Absa”	Barclays Africa Group Limited (formerly Absa Group Limited)
“Additional Underwriters”	ABN AMRO, Banco Santander, BNP PARIBAS, ING, J.P. Morgan Cazenove, Mediobanca, Morgan Stanley, RBC Capital Markets and SMBC Nikko who each acceded to the Underwriting Agreement by way of a deed of accession dated 3 August 2013
“Admission”	the admission of the New Ordinary Shares (nil paid and fully paid) to the premium listing segment of the Official List of the FCA becoming effective in accordance with the Listing Rules and the admission of such shares (nil paid and fully paid) to trading on the London Stock Exchange’s market for listed securities becoming effective in accordance with the Admission and Disclosure Standards
“Admission and Disclosure Standards”	the “Admission and Disclosure Standards” (as amended from time to time) of the London Stock Exchange containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange’s main market for listed securities
“ADR” or “American Depositary Receipt”	evidence of an ADS as more particularly described in paragraph 2.5 of Part VIII “ <i>Additional Information</i> ” of this Prospectus
“ADS” or “American Depositary Share”	an American Depositary Share representing four Ordinary Shares, listed on the NYSE
“Africa RBB” or “Africa Retail and Business Banking”	the Group’s “Africa Retail and Business Banking” business segment as more particularly described in paragraph 5 of Part A “ <i>Information on Barclays and the Group</i> ” in Part III “ <i>Information on Barclays</i> ” of this Prospectus
“Articles of Association”	the articles of association of the Company, details of which are set out in paragraph 4 of Part VIII “ <i>Additional Information</i> ” of this Prospectus
“AT1” or “Additional Tier 1”	additional tier 1 securities which meet the requirements of CRD IV and any further requirements of the PRA for inclusion within regulatory leverage and/or capital calculations
“Audit Committee”	the audit committee established by the Board
“Automated Telephone Instruction Facility”	the automated telephone instruction facility available to Qualifying Registered Shareholders and Qualifying Sharestore Members who wish, and are entitled, to use the Special Dealing Service
“Banco Santander”	Banco Santander S.A.
“Bank of England”	the Governor and Company of the Bank of England
“Banking Act”	the UK Banking Act 2009
“Banks”	Barclays Investment Bank and the Underwriters

“Barclaycard”	the Group’s international payments business service provider, servicing retail and business customers as more particularly described in paragraph 5 of Part A “ <i>Information on Barclays and the Group</i> ” in Part III “ <i>Information on Barclays</i> ” of this Prospectus
“Barclays” or “Company”	Barclays PLC, a company incorporated under the laws of England and Wales (registered under no. 48839), with its registered office at 1 Churchill Place, London E14 5HP
“Barclays Bank”	Barclays Bank PLC
“Barclays Employee Share Plans”	the employee share plans described in paragraph 13 of Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Barclays Group” or “Group”	the Company and each of its subsidiaries and subsidiary undertakings from time to time
“Barclays Investment Bank” or “Investment Bank”	Barclays Bank, in its capacity as global co-ordinator and/or joint bookrunner, or the investment banking business unit of Barclays Bank, as the context requires
“Barclays’ UK Interim Results Announcement 2013”	Barclays’ UK Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the FCA on 30 July 2013
“Barclays’ US Interim Results Announcement 2013”	Barclays’ UK Interim Results Announcement in respect of the six month period ended 30 June 2013 filed with the SEC on Form 6-K on 30 July 2013
“Basel III”	the third of the Basel Accords, developed in response to the financial crisis of 2008 and setting new requirements on composition of capital, counterparty credit risk, liquidity, funding and leverage ratios
“BBI”	Barclays Bank International Limited
“BCBS”	the Basel Committee on Banking Supervision
“BlackRock”	BlackRock, Inc
“BNP PARIBAS”	BNP PARIBAS
“Board”	the board of directors of Barclays
“BofA Merrill Lynch”	Merrill Lynch International, a subsidiary of Bank of America Corporation
“Broker”	Barclays Stockbrokers Limited or any other approved entity to whom orders may be transmitted to sell Nil Paid Rights under the Special Dealing Service
“Business Day”	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open in London for the transaction of normal business
“Canadian Offering Memorandum”	the Canadian Offering Memorandum being published in connection with the Rights Issue that incorporates by reference the US Prospectus
“Cashless Take-up”	the sale of such number of Nil Paid Rights as will generate sufficient sale proceeds to enable the direct or indirect holder thereof to take up all of their remaining Nil Paid Rights (or entitlements thereto)
“CBI”	the Confederation of British Industry
“CCSS” or “CREST Courier and Sorting Service”	the CREST Courier and Sorting Service established by Euroclear UK to facilitate, amongst other things, the deposit and withdrawal of securities
“certificated” or “in certificated form”	where a share or other security is not in uncertificated form

“CET1 capital” or “CET1”	common equity tier 1 capital, calculated on the basis set out in CRD IV
“CET1 capital ratio” or “CET1 ratio”	a risk-based ratio calculated as CET1 capital divided by Risk Weighted Assets, as calculated on the basis set out in CRD IV
“CFTC”	the Commodity Futures Trading Commission
“Citi” or “Citigroup”	Citigroup Global Markets Limited
“Closing Price”	the closing middle market price of an Ordinary Share as derived from the London Stock Exchange’s Daily Official List
“CoE”	cost of equity
“Companies Act”	the UK Companies Act 1985, as amended or the UK Companies Act 2006, as the context so requires
“Commission”	means the European Commission
“Core Tier 1 capital”	called-up share capital and eligible reserves plus non-controlling equity interests, less intangible assets and deductions relating to the excess of expected loss over regulatory impairment allowance and securitisation positions as calculated on the basis specified by the FSA (as predecessor to the PRA) in a 2009 letter from the FSA to the British Bankers’ Association
“Core Tier 1 ratio”	Core Tier 1 capital as a percentage of risk weighted assets, as calculated under current PRA guidelines
“CRD IV”	the legislative package consisting of: (i) Directive 2013/36/EU on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms; and (ii) Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013 (the “ CRD IV Regulation ”)
“CRD IV Leverage Exposure”	a regulatory assessment of the estimated exposure value of an institution’s assets, off balance sheet items and other contingent obligations, with certain exceptions, as calculated on the basis set out in Article 429 of the CRD IV Regulation
“CRD IV Leverage Ratio”	an estimated non risk-based ratio calculated as CET1 capital, together with any Additional Tier 1 divided by CRD IV Leverage Exposure
“Credit Suisse”	CSSEL in its capacity as sponsor, joint bookrunner and underwriter and/or Credit Suisse AG, London Branch in its capacity as underwriter, as the context requires
“CREST”	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear UK is the operator as defined in the CREST Regulations)
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996 and as amended since)
“CREST member”	a person who has been admitted to Euroclear UK as a system member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)

“CREST Regulations” or “Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378), as amended
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“CSSEL”	Credit Suisse Securities (Europe) Limited
“CVA volatility charge”	the volatility charge added to exposures that adjusts for mid-market valuation on a portfolio of transactions with a counterparty. This is to reflect the current market value of the credit risk associated with the counterparty to the Company
“Daily Official List”	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange
“Debit Valuation Adjustment” or “DVA”	the difference between the risk free value of a portfolio of trades and the market value which takes into account the Group’s risk of default
“Deutsche Bank”	Deutsche Bank AG, London Branch
“DFA” or “Dodd-Frank Act”	the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
“Directors”	the Executive Director and Non-executive Directors, whose names appear on page 52 of this Prospectus
“Disclosure and Transparency Rules”	the Disclosure Rules and Transparency Rules contained in the FCA’s sourcebook
“Dividend Shares”	has the meaning ascribed to it in paragraph 13.4 of Part VIII “ <i>Additional Information</i> ” of this Prospectus
“DOJ”	the US Department of Justice
“EBA”	the European Banking Authority
“EC Treaty”	the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and the Treaty of Nice (signed in Nice on 26 February 2001)
“ECB”	the European Central Bank
“EMIR”	the European Market Infrastructure Regulation
“ESAS”	Barclays PLC Executive Share Award Scheme as described in paragraph 13.6 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“ESMA”	the European Securities and Markets Authority
“EU” or “European Union”	the European Union
“EURIBOR”	the Euro Interbank Offered Rate
“euro” or “€”	the lawful currency of the member states of the EU that adopt the single currency in accordance with the EC Treaty
“Euroclear UK”	Euroclear UK & Ireland Limited, the operator of CREST
“Europe RBB” or “Europe Retail and Business Banking”	the Group’s “Europe retail and business banking” business segment as more particularly described in paragraph 5 of Part A “ <i>Information on Barclays and the Group</i> ” in Part III “ <i>Information on Barclays</i> ” of this Prospectus
“European Economic Area” or “EEA”	the EU, Iceland, Norway and Liechtenstein
“Eurozone”	those member states of the European Union which have adopted the euro

“Excluded Territories” and each an “Excluded Territory”	the PRC, the Hong Kong Special Administrative Region of the People’s Republic of China, Japan, the Republic of South Africa and any other jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law
“Executive Director”	the executive director of Barclays
“Existing Ordinary Shares”	the Ordinary Shares in issue
“Existing Ordinary Sharestore Entitlement”	an underlying entitlement to Existing Ordinary Shares held by Sharestore Members
“Ex-Rights Date”	the date on which the Ordinary Shares commence trading ex-rights, expected to be 18 September 2013
“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority of the UK
“Financial Services Authority” or “FSA”	the Financial Services Authority (predecessor to the FCA) of the UK
“FINMA”	the Swiss Financial Market Supervisory Authority
“FINRA”	the US Financial Industry Regulatory Authority
“Form”	the Provisional Allotment Letter and/or the Sharestore Form of Instruction, as the context requires
“FPC”	the Financial Policy Committee of the Bank of England
“FRB”	the Board of Governors of the Federal Reserve System
“FSMA”	the Financial Services and Markets Act 2000, as amended
“fully loaded”	when a measure is presented or described as being on a fully loaded basis, it is calculated without applying the transitional provisions set out in Part Ten of the CRD IV Regulation
“Fully Paid Rights”	rights to acquire the New Ordinary Shares, fully paid
“Global Co-ordinator”	Barclays Investment Bank
“GSP”	Barclays Global Sharepurchase as described in paragraph 13.5 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“HMRC”	HM Revenue & Customs
“IAS”	International Accounting Standards
“ICAEW”	the Institute of Chartered Accountants in England and Wales
“IFRS”	International Financial Reporting Standards as issued by the International Accounting Standards Board
“ING”	ING Bank N.V.
“Initial Underwriters”	Credit Suisse, Deutsche Bank, BofA Merrill Lynch and Citi
”Instruction”	means a valid instruction given by a Qualifying Certificated Shareholder to Equiniti Financial Services Limited under the Special Dealing Facility to sell all of his Nil Paid Rights (or those to which he is entitled) or to effect a Cashless Take-up (as applicable)
“Interim Results”	Barclays’ interim results for the six month period ended 30 June 2013
“Internal Model Method”	risk weighted assets for which the exposure amount has been derived via the use of an FSA approved internal model
“ISOP”	Barclays PLC Incentive Share Option Plan as described in paragraph 13.7 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Issue Price”	185 pence per New Ordinary Share

“Joint Bookrunners”	Barclays Investment Bank, Credit Suisse, Deutsche Bank, BofA Merrill Lynch, Citi, ABN AMRO, Banco Santander, BNP PARIBAS, ING, J.P. Morgan Cazenove, Mediobanca, Morgan Stanley, RBC Capital Markets and SMBC Nikko
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc
“Leverage Plan”	the leverage exposure and capital management actions proposed to be taken by the Company and outlined in Part I “ <i>Letter from the Chairman of Barclays PLC</i> ” of this Prospectus, in order to meet the PRA Leverage Ratio target of 3%
“LIBOR”	London Interbank Offered Rates
“Liquidity pool assets”	represent the Group liquidity pool that is intended to offset potential outflows in stressed market conditions; liquidity pool assets primarily comprise cash at central banks and unencumbered government bonds
“Listing Rules”	the Listing Rules made by the FCA under Part VI of FSMA
“Loan Loss Rate”	represents total annualised loan impairment divided by gross loans and advances to customers and banks held at amortised cost at the balance sheet date
“London Stock Exchange”	London Stock Exchange plc or its successor(s)
“LTIP”	Barclays Long Term Incentive Plan as described in paragraph 13.1 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Mediobanca”	Mediobanca — Banca di Credito Finanziario S.p.A.
“member account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Money Laundering Regulations 2007 (SI 2007/2157)
“Morgan Stanley”	Morgan Stanley Securities Limited
“MTM instruction”	has the meaning ascribed to it on page 76 of this Prospectus
“New Ordinary Shares”	Ordinary Shares to be allotted and issued pursuant to the Rights Issue
“Nil Paid Rights”	New Ordinary Shares in nil paid form to be provisionally allotted to Shareholders pursuant to the Rights Issue
“Nominations Committee”	the nominations committee established by the Board
“Non-executive Directors”	the non-executive directors of Barclays
“NYSE”	the New York Stock Exchange
“Official List”	the Official List of the FCA pursuant to Part VI of FSMA
“Ordinary Shares” or “Shares”	the ordinary shares of 25 pence each in the share capital of the Company (including, if the context requires, the New Ordinary Shares)
“Overseas Shareholders”	Shareholders and Sharestore Members with registered addresses outside the UK or who are citizens or residents of, or located in, countries outside the UK
“own credit”	the effect of changes in the Group’s own credit standing on the fair value of financial liabilities
“participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“Potential Future Exposure on derivatives”	a regulatory calculation in respect of the Group’s potential future credit exposure on both exchange traded and OTC derivative contracts, calculated by assigning a standardised percentage

	(based on the underlying risk category and residual trade maturity) to the gross notional value of each contract
“pounds sterling” or “£”	the lawful currency of the UK
“PPI”	payment protection insurance
“PRA”	Prudential Regulation Authority
“PRA Adjustments”	valuation adjustments applied by the PRA and deducted from Barclays’ fully loaded CET1 capital in the calculation of the PRA Leverage Ratio
“PRA Leverage Ratio”	a non risk-based ratio introduced by the PRA in June 2013 calculated as fully loaded CET1 capital after PRA Adjustments together with any new issuance of Additional Tier 1 securities and divided by CRD IV Leverage Exposure
“PRA Remuneration Code”	the PRA’s remuneration code governing the structure and governance of remuneration
“PRC”	the People’s Republic of China but excluding the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Preference Dividend”	has the meaning ascribed to it in paragraph 4.5 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Preference Shares”	has the meaning ascribed to it in paragraph 4.4 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Proportionate Share”	has the meaning ascribed to it in paragraph 15.1.5 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Prospective Directors”	the prospective directors of Barclays, whose names appear on page 52 of this Prospectus
“Prospectus Directive”	Directive 2003/71/EC, as amended
“Prospectus Rules”	the Prospectus Rules published by the FCA under Section 73A of FSMA
“Provisional Allotment Letter”	the renounceable provisional allotment letter expected to be sent to Qualifying Registered Shareholders in respect of the New Ordinary Shares to be provisionally allotted to them pursuant to the Rights Issue
“prudential valuation adjustments” or “PVA”	adjustments to the valuation of certain instruments measured at fair value, in accordance with the requirements of Article 105 of the CRD IV Regulation
“Qualifying Certificated Shareholder”	a Qualifying Registered Shareholder and/or a Qualifying Sharestore Member, as the context requires
“Qualifying CREST Shareholder”	a Qualifying Shareholder holding Ordinary Shares in uncertificated form in CREST
“Qualifying Registered Shareholder”	a Qualifying Shareholder holding Ordinary Shares in certificated form
“Qualifying Shareholder”	a holder of Ordinary Shares (including those represented by ADSs) on the register of members of the Company at close of business on the Record Date with the exclusion (subject to certain exceptions) of persons with a registered address or located or resident in an Excluded Territory
“Qualifying Sharestore Member”	a holder of Existing Ordinary Sharestore Entitlements on the Sharestore Register as at close of business on the Record Date

	with the exclusion (subject to certain exceptions) of persons with a registered address or located or resident in an Excluded Territory
“RBC Capital Markets”	RBC Europe Limited
“Receiving Agent”	Equiniti Limited and Equiniti Financial Services Limited (together “Equiniti”)
“Record Date”	13 September 2013
“Regulatory Information Service”	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
“Relevant Member State”	each member state of the European Economic Area which has implemented the Prospectus Directive (other than the UK);
“Remuneration Committee”	the remuneration committee established by the Board
“Reserve Capital Instruments” or “RCIs”	hybrid issued capital securities which may be debt or equity accounted depending on the terms
“Rights Issue”	the proposed issue by way of rights of New Ordinary Shares to Shareholders on the basis described in this Prospectus and, in the case of US Holders and holders of ADSs, the US Prospectus and, in the case of Qualifying Registered Shareholders, in the relevant Forms
“Risk Weighted Assets”	the total risk exposure amount calculated in accordance with Article 92 of the CRD IV Regulation or as otherwise stipulated
“RoE”	return on equity
“RTGS”	real time gross settlement
“Scrip Dividend Programme”	Barclays’ Scrip dividend programme
“SDRT”	stamp duty reserve tax
“SEC” or “United States Securities and Exchange Commission”	the Securities and Exchange Commission, being the United States government agency having primary responsibility for enforcing the federal securities laws and regulating the securities industry/stock market
“Securities Financing Transactions” or “SFTs”	a regulatory definition encompassing repurchase and reverse repurchase transactions, securities and commodities lending or borrowing transactions and margin lending transactions
“SFO”	the Serious Fraud Office
“Shareholder” or “Barclays Shareholder”	a holder of Ordinary Shares
“Sharepurchase”	Barclays Group Share Incentive Plan as described in paragraph 13.4 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Sharesave”	Barclays Group SAYE Share Option Scheme as described in paragraph 13.3 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Sharestore”	the nominee service through which the Ordinary Shares registered in the name of the Sharestore Nominee are held on behalf of its members
“Sharestore Advice”	advice to be sent to Qualifying Sharestore Members showing the number of entitlements to New Ordinary Shares taken up by such Qualifying Sharestore Members
“Sharestore Form of Instruction”	the form of instruction expected to be sent to Qualifying Sharestore Members in respect of the Rights Issue

“Sharestore Member”	a member of Sharestore who is beneficially entitled to Ordinary Shares which are registered in the name of the Sharestore Nominee on the register of Barclays
“Sharestore Nominee”	Equiniti Corporate Nominees Limited
“Sharestore Register”	the register of Sharestore maintained by The Registrar at the direction of the Sharestore Nominee
“SMBC Nikko”	SMBC Nikko Capital Markets Limited
“Special Dealing Service”	the dealing service being made available by Equiniti Financial Services Limited to Qualifying Registered Shareholders and Qualifying Sharestore Members who are individuals with a registered address in the UK or any other jurisdiction within the EEA who wish to sell all of their Nil Paid Rights or to effect a Cashless Take-up
“Special Dealing Service Terms and Conditions”	the terms and conditions of the Special Dealing Service which are set out in the “Barclays PLC Rights Issue — Your Questions Answered” booklet to be sent to all Qualifying Shareholders
“Sponsor”	Credit Suisse Securities (Europe) Limited in its capacity as sponsor
“stock account”	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
“subsidiary”	as defined in section 1159 of the Companies Act 2006
“subsidiary undertaking”	as defined in section 1162 of the Companies Act 2006
“SVP”	Barclays Group Share Value Plan as more particularly described in paragraph 13.2 in Part VIII “ <i>Additional Information</i> ” of this Prospectus
“The Registrar” or “The Registrar to Barclays”	the registrars of the Company, Equiniti Limited at Aspect House Spencer Road, Lancing, West Sussex BN99 6DA, UK
“TIBOR”	Tokyo Interbank Offered Rate
“TONs”	tier one notes
“Transform” or “Transform Programme”	has the meaning ascribed to it on page 35 of this Prospectus
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Corporate Governance Code”	UK Corporate Governance Code
“UK Listing Authority”	the FCA in its capacity as the competent authority for the purposes of Part VI of FSMA and in the exercise of its functions in respect of the admission to the Official List otherwise than in accordance with Part VI of FSMA
“UKRBB” or “UK Retail and Business Banking”	the Group’s “UK retail and business banking” business segment as more particularly described in paragraph 5 of Part A “ <i>Information on Barclays and the Group</i> ” in Part III “ <i>Information on Barclays</i> ” of this Prospectus
“UK Takeover Code”	the City Code on Takeovers and Mergers (as amended), as issued and administered by The Panel on Takeovers and Mergers
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Underwriters”	the Initial Underwriters and the Additional Underwriters

“Underwriting Agreement”	the underwriting agreement dated 30 July 2013 between the Company, Barclays Investment Bank, the Sponsor and the Initial Underwriters and to which the Additional Underwriters acceded to by way of a deed of accession dated 3 August 2013 relating to the Rights Issue and further described in paragraph 15 of Part VIII “ <i>Additional Information</i> ” of this Prospectus
“Underwritten Proceeds”	the proceeds from the issuance of the Underwritten Shares
“Underwritten Shares”	3,216,893,546 New Ordinary Shares to be allotted pursuant to the Rights Issue
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“US Commodity Exchange Act”	The United States Commodity Exchange Act of 1936, as amended
“US dollars” or “US\$”	the lawful currency of the United States
“US Federal Reserve”	the central banking system of the United States
“US Holder”	a beneficial owner of rights and New Ordinary Shares that is, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to United States federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for United States federal income tax purposes
“US Prospectus”	the prospectus pursuant to which the Rights Issue will be made to Qualifying Shareholders in the United States and ADS holders and which will form part of the US Registration Statement
“US Registration Statement”	the registration statement filed by Barclays on Form F-3 (Registration No. 333-173886) with the SEC as amended on 29 July 2013 and 6 September 2013, and which may be amended or supplemented thereafter in respect of additional information relating to the Rights Issue
“US Securities Act”	the United States Securities Act 1933, as amended
“US Securities Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“Volcker Rule”	has the meaning ascribed to it on page 31 of this Prospectus
“W&IM” or “Wealth and Investment Management”	the Group’s “wealth and investment management” business segment as more particularly described in paragraph 5 of Part A “ <i>Information on Barclays and the Group</i> ” in Part III “ <i>Information on Barclays</i> ” of this Prospectus

