

Sir David Walker
Chairman
Barclays PLC
1 Churchill Place
London
E14 5HP

24 February 2014

Dear Sir David,

The UK Shareholders' Association (UKSA) is the leading association of private shareholders in listed companies. It seeks to support the interests of such shareholders, many of whom have shares in your company. In pursuit of that objective, three of our colleagues had the pleasure of meeting you during your review of bank governance in 2009.

UKSA has noted the results statement put out by Barclays showing how it has performed for 2013. That statement shows, inter alia, that the profit before tax is down 32% from 2012 and that the return on shareholders' equity has halved from 9% to 4.5%, but you have increased the bonus pool for your investment bankers by £210 million and the compensation ratio for the investment bank has gone up from 39.6% to 43.2%.

That statement also shows that the total dividend for 2013 will be 6.5p per share. This compares with 34.0p per share paid for 2008, a reduction of 81%.

You and your board will be aware of the responsibility they have, under English law, to act in the interests of the shareholders. The Companies Act 2006 makes clear, in section 172, that the directors' prime responsibility is to "promote the success of the company for the benefit of its members as a whole." The Institute of Directors adds the comment that, "The statutory duties that replace the fiduciary or equitable duty are interpreted in accordance with the previous case law, which remains relevant."

UKSA, on behalf of all private shareholders, would like you to explain publicly, in advance of the AGM, how this legal obligation has been met, when the dividend has barely increased since its savage reduction in 2008 and yet bonuses are still being paid and even increased as though the bank had a successful 2013, which from a shareholders' perspective it clearly did not.

This is a matter of such widespread public concern, not least among many individual investors including those in pension funds who have no opportunity to raise such questions, so we propose to make this letter public on our website and will be happy to do the same with your reply.

Yours sincerely



Chris Hulme
Chairman, UK Shareholders' Association



R A Collinge FCA
Head of Corporate Governance Group

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