

Statement from the Chairman of the Board HR and Remuneration Committee (the Committee)

The Committee provides governance and strategic oversight of Barclays Human Resource activities with particular emphasis on remuneration and senior management development.

The Committee meets a minimum of four times a year. Sir David Arculus left the Committee during 2006 and Sir Nigel Rudd stepped down as Chairman at the end of 2006 when I was appointed Chairman. Marcus Agius became a member of the Committee from 1st January 2007. All other Committee members are independent non-executive Directors.

In addition to its regular business the Committee also focused on:

- developing a compensation strategy for Global Retail and Commercial Banking in addition to keeping under review the existing compensation strategies for Barclays Capital, BGI and Barclays Wealth;
- reviewing and developing policies to manage the governance of Barclays pension plans;
- in-depth monitoring of the development of senior talent in all businesses; and
- strengthening the linkage of performance and remuneration across the businesses, particularly in respect of annual bonuses.

As part of its regular business, the Committee considers share-based plans. This includes, since its approval at the 2000 AGM, the Barclays Global Investors Equity Ownership Plan (BGI EOP). The BGI EOP and its operation have been disclosed in our financial statements since that time. This year, we have expanded our reporting further by including an overview of the BGI EOP's operation.

The Committee takes seriously its commitment to clear and comprehensive disclosure. The majority of this report details the remuneration of the individual Directors who served Barclays in 2006.

Important context to this report and the disclosures that follow is provided below:

- Barclays performed very strongly in 2006 with profit before tax (PBT) up 35% and economic profit (EP) up 54%. This performance has been recognised in the remuneration decisions at all levels coupled with strong performance differentiation.
- The performance of Barclays Capital, BGI and Barclays Wealth was particularly strong, enabling the double benefit of delivering competitive bonus levels and providing an increased share of profit to shareholders, evidenced by compensation ratios reducing relative to 2005 and in line with the lower end of the market range.
- In the course of 2006, the Committee approved significant numbers of strategic hires, including at Board level, ensuring their remuneration was in line with the appropriate marketplace. It did this alongside its active oversight of Barclays talent agenda.

Barclays Remuneration Policy remains unchanged, including the commitment to transparency and to policies and programmes that serve well the interests of shareholders.

The Committee unanimously recommends that you vote to approve the report at the 2007 AGM.

Signed on behalf of the Board



Sir Richard Broadbent
Chairman, Board HR and Remuneration Committee

8th March 2007

Board HR and Remuneration Committee Members

The Committee comprised the following independent non-executive Directors during 2006:

Sir Nigel Rudd (Chairman until 31st December 2006)
Sir Richard Broadbent (Chairman from 1st January 2007)
Leigh Clifford
Sir John Sunderland
Sir David Arculus (resigned 27th April 2006)

The Committee members were considered by the Board to be independent of management and free from any business or other relationship that could materially affect the exercise of their independent judgement. The constitution and operation of the Committee complies with the Provisions on the Design of Performance Related Remuneration in the Combined Code adopted by the Financial Reporting Council.

Marcus Agius was appointed as a member of the Committee with effect from 1st January 2007.

The Chairman of the Committee presents a report of each meeting to the full Board.

Advisers to the Committee

The Committee has access to independent consultants to ensure that it receives independent advice. Advisers are appointed by the Committee for specific work, as necessary, and are required to disclose to the Committee any potential conflict of interest.

In 2006, Kepler Associates^(a) were reappointed by the Committee to provide independent advice to Committee members on remuneration matters. Kepler Associates also supplied supporting valuation data for Barclays share-based payments processes.

The Chairman of the Board (from 1st January 2007 a member of the Committee itself), the Group Chief Executive, the Human Resources Director and, as necessary, members of the Executive Committee, also advise the Committee, supported by their teams. They are not permitted to participate in discussions or decisions relating to their own remuneration. The Human Resources Director is responsible for providing professional support to line management in HR policy and operations and for monitoring compliance with prescribed policy and programmes across Barclays. The Human Resources Director is not a Board Director and is not appointed by the Committee.

Remuneration Policy

Barclays policy is to use reward to drive a high-performance culture. Executive Directors can expect outstanding reward if performance is outstanding and below median reward for below median performance. This philosophy applies to reward policies and practices for all employees in the Group. The Committee considers reward levels across the Group when determining remuneration for executive Directors.

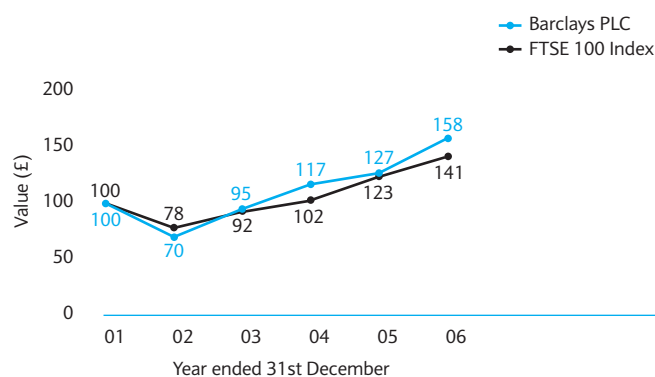
The aims of Barclays remuneration policy are to:

- incentivise excellence in and balance between both short-term (one year) and longer-term (three years plus) performance such that Group financial goals and the goal of achieving top quartile total shareholder return (TSR) are met and sustained;
- enable the Group to attract and retain people of proven ability, experience and skills in the pools in which we compete for talent;
- encourage behaviour consistent with Barclays Guiding Principles^(b) which leads to excellence and the appropriate balance in financial performance, governance, controls, risk management, customer service, people management, brand and reputation management;

- promote attention to maximising personal contribution, contribution to the business in which the individual works and contribution to the Group overall; and
- ensure, both internally and externally, that remuneration policies and programmes are transparent, well communicated, easily understood and aligned with the interests of shareholders.

The graph below shows the value, at 31st December 2006, of £100 invested in Barclays on 31st December 2001 compared with the value of £100 invested in the FTSE 100 Index. The other points plotted are the values at intervening financial year ends. The FTSE 100 Index is the index of the 100 largest UK quoted companies by market capitalisation. It is a widely recognised performance comparison for large UK companies such as Barclays and this is why it has been chosen as a comparator to illustrate Barclays TSR growth. The graph shows that, at the end of 2006, a hypothetical £100 invested in Barclays on 31st December 2001 would have generated a total return of £58, compared with a gain of £41 if invested in the FTSE 100 Index. Barclays, therefore, outperformed the FTSE 100 Index for this period.

Total Shareholder Return



Source: Datastream

Schedule 7A of the Companies Act 1985 requires that the graph shows TSR for the five years ending with the relevant financial year.

Reward for executive Directors

Reward for the executive Directors and other senior executives comprises:

- base salary;
- annual bonus including mandatory deferral into Barclays shares through the Executive Share Award Scheme (ESAS);
- long-term incentives through the Performance Share Plan (PSP); and
- pension and other benefits.

The Committee reviews the elements of reward relative to the policies above and to the practice of other comparable organisations. Reward is benchmarked against the markets in which we compete for talent. This includes benchmarking against other leading international banks and financial services organisations, and other companies of similar size to Barclays in the FTSE 100 Index.

The component parts for each executive Director are detailed in the tables accompanying this report.

All the executive Directors meet the Committee's guideline that, as a minimum, they should hold the equivalent of 1x their base salary in Barclays shares, including shares held under award through ESAS.

Notes

(a) Kepler Associates have given and not withdrawn their written consent to the inclusion of references to their name in the form and context in which it appears.

(b) Barclays Guiding Principles were introduced during 2005 and provide all parts of the Group with a unifying set of values. They are: Winning Together, Best People, Client/Customer Focused, Pioneering and Trusted.

Each element of reward is important and has a specific role in achieving the aims of the remuneration policy. The combined potential remuneration from bonus and PSP outweighs the other elements, and is subject to performance conditions, thereby placing the majority of total reward at risk. The relative weighting of each of the key elements of executive Director remuneration (excluding pension and benefits) is shown below.

	'FIXED'		'AT RISK'	
	Base salary	Annual performance bonus (Maximum)		PSP (Maximum)
		Cash	Shares	
Chief Executive and executive Directors (except Robert E Diamond Jr)	20%	37.5%	12.5%	30%
Robert E Diamond Jr	2%	49%	16%	33%

Robert E Diamond Jr's arrangements reflect general practice in the investment banking and investment management industry.

The purpose of each element of remuneration for executive Directors is summarised in the table below and discussed in greater detail in the sections that follow.

Compensation element	Purpose	Delivery	Programme detail
Base salary	To reflect the market value of the individual and their role	<ul style="list-style-type: none"> • Cash • Monthly • Pensionable 	<ul style="list-style-type: none"> • Reviewed annually, with changes typically effective on 1st April
Annual performance bonus and ESAS	To incentivise the delivery of annual goals at the Group, business division and individual levels	<ul style="list-style-type: none"> • 75% cash^(a) • 25% deferred Barclays shares under ESAS • Annual • Non-pensionable 	<ul style="list-style-type: none"> • Based on annual business unit performance, performance of the Group as a whole and leadership contribution
PSP^(b)	To reward the creation of above median, sustained growth in shareholder value	<ul style="list-style-type: none"> • Free shares subject to a performance condition • Annual awards that vest after three years • Non-pensionable 	<ul style="list-style-type: none"> • Discretionary awards • Participation reviewed annually • Barclays performance over three years determines the number of performance shares eligible for release to each individual • For awards made in 2006, and awards to be made in 2007, EP threshold, thereafter 50% under a TSR performance condition and 50% under an EP performance condition
Pension^(c)	To provide market competitive post-retirement benefit	<ul style="list-style-type: none"> • Deferred cash • Monthly 	<ul style="list-style-type: none"> • Non-contributory, defined benefit scheme and/or defined contribution scheme, or cash allowance in lieu of pension contributions

Notes

(a) Eligible executives may request that all or part of the cash bonus to which they would otherwise become entitled, be granted in the form of an additional award under ESAS or as a pension contribution by way of Special Company Contribution (Bonus Sacrifice).

(b) Please refer to Note 51 to the accounts on page 225 for further information on PSP.

(c) Please refer to Note 35 to the accounts on page 203 for further information on the Group's pension plans.

Changes to Chairman and executive Directors

Matthew Barrett retired as Chairman on 31st December 2006.

Matthew Barrett was succeeded by Marcus Agius, who was appointed as a non-executive Director with effect from 1st September 2006 and Chairman with effect from 1st January 2007.

As a non-executive Director, Marcus Agius received an annual fee of £65,000 (pro rata) with effect from 1st September 2006. From 1st January 2007, on becoming Chairman, Marcus Agius receives a fee of £750,000 (inclusive of director's fees). He is also eligible for private health insurance. The minimum time commitment is equivalent to 60% of a full time role. Marcus Agius is not eligible to participate in Barclays bonus and share incentive plans, nor will he participate in Barclays pension plans or receive any pension contributions. The service contract provides for a notice period of 12 months from the Group or six months from Marcus Agius.

Frits Seegers was appointed as an executive Director with effect from 10th July 2006. The key terms of the executive Directors' service contracts are set out on pages 130 and 131.

David Roberts ceased to be an executive Director on 31st December 2006. Payments to David Roberts in respect of the termination of his service contract are shown in note (i) on page 133.

Naguib Kheraj will cease to be an executive Director on 31st March 2007. Naguib Kheraj will be succeeded by Chris Lucas, who has been appointed to the position of Group Finance Director with effect from 1st April 2007.

From 1st April 2007, on becoming an executive Director, Chris Lucas' base salary will be £600,000 per annum. The Committee will, in line with usual practice, determine the size of any annual performance bonus, dependent on both business and individual performance. For 2007, a guaranteed performance bonus has been agreed, comprising a cash bonus of £450,000 and a recommended ESAS award over shares with a value of £150,000, in total £600,000. This will be recommended in March 2008. The Committee will, in line with usual practice, determine the size of awards of performance shares to be made each year under PSP. The 2007 PSP award will be recommended to be made as soon as practicable after Chris Lucas' start date for an initial allocation of £600,000. In addition, an ESAS award over shares with a value of £500,000 will be recommended as soon as practicable after Chris Lucas' start date. This ESAS award would normally vest 50% after one year and the remainder after two years (bonus shares are not applicable to this award). This award is in recognition of forfeited remuneration.

Chris Lucas will be eligible to participate in the following benefits: life cover, use of company car or cash equivalent, medical insurance and the ill-health income plan. In addition, Chris Lucas will receive a cash allowance of 25% of his annual base salary in lieu of pension contributions.

The service contract provides for a notice period of 12 months from the Group or six months from Chris Lucas. On termination, the service contract provides for a pro-rated phased payment of his notice entitlement and Chris Lucas has an explicit duty to mitigate his loss.

Base Salary

The annual base salaries for the current executive Directors are shown in the table below:

	As at 31st Dec 2006	As at 1st April 2007	Date of previous increase
John Varley	£900,000	£1,000,000	1st Apr 2006
Robert E Diamond Jr	£250,000	£250,000	1st Mar 1999
Gary Hoffman	£625,000	£625,000	1st Apr 2006
Naguib Kheraj	£700,000	£700,000	1st Apr 2006
Frits Seegers	£700,000	£700,000	n/a

In respect of John Varley, having regard to levels of salary and total compensation in comparable organisations, the Committee approved an increase to his base salary effective 1st April 2007.

Annual Bonus and ESAS

75% of the annual bonus is delivered as cash. The remaining 25% is recommended as a provisional allocation of shares under ESAS. The maximum bonus opportunity is tailored to the relevant market; this is typically 250% of base salary.

The annual bonus is based on a qualitative and quantitative assessment of performance (including EP and PBT results) with the quantitative assessment comprising the majority. EP and PBT are considered to be good measures of value creation to shareholders.

ESAS is a deferred share award plan in which awards are initially granted in the form of a provisional allocation that does not give rise to any entitlement to the shares. The value of mandatory bonus deferrals under ESAS is subject to the same Group and individual performance criteria as the annual cash bonus. A mandatory ESAS award comprises shares with a value of 25% of the annual bonus plus an additional element for bonus shares which is approximately equal to 30% of the 25% of the bonus that has been deferred. Normally, the trustees of ESAS will permit the executive to call for the shares from the end of the third year from grant of an award by granting a right to acquire shares (a nil cost option) exercisable for two years. As this nil cost option is part of the structure of an ESAS award and as ESAS is a deferred share award plan, it would not be appropriate to attach a performance condition to the exercise of these options. If the right is not exercised, the trustees of ESAS will normally, at the end of the fifth year, release all of the shares, including bonus shares equal to 30% of the basic award. If the right is exercised, an executive may lose the opportunity of receiving one-third of the bonus shares. If an executive ceases to be employed he may forfeit his award depending on why he leaves. An award under ESAS may be forfeited if the executive resigns and commences employment with a competitor business.

In addition, eligible executives may request that all or part of the cash bonus to which they would otherwise become entitled be granted as an additional award under ESAS called Voluntary ESAS. An award under Voluntary ESAS will be granted as a right to acquire shares which will become fully exercisable after five years. The number of shares under any award will reflect the value of the amount waived together with a number of bonus shares representing 30% of the amount waived.

PSP

PSP was approved by shareholders at the 2005 AGM. PSP replaced the Incentive Share Option Plan (ISOP) in 2005 as the principal long-term incentive plan. Performance shares are an award of 'free' Barclays shares in the form of a provisional allocation for which no exercise price is payable and which qualify for dividend shares. Performance share awards are communicated to participants as an initial allocation. This initial allocation is the 'expected value' of the award and is up to the higher of 150% of base salary or 75% of base salary and target annual bonus. Barclays performance over a three-year period determines the final number of shares that may be released to participants. After three

years the trustee considers the release of performance shares based on the outcome of two performance conditions, EP and TSR. Note that:

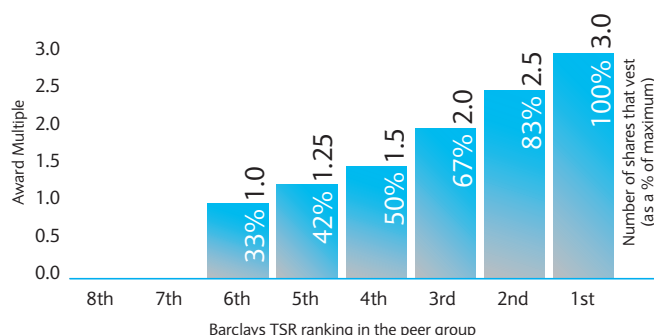
- Before any shares are released, Barclays cumulative EP over the performance period must normally be greater than the total for the previous three-year period.
- For PSP awards made in 2005, the award depends on Barclays TSR relative to a peer group of 11 other international banks.
- For PSP awards made in 2006, 50% of each award depends on Barclays EP and 50% of each award depends on Barclays TSR relative to a peer group of 11 other international banks.
- For the TSR element of the award, there is no vesting unless Barclays is ranked above median on relative TSR.
- The performance conditions for PSP awards made in 2006 will be measured over the three-year performance period (2006 to 2008).
- Relative TSR and EP are both considered to be good measures of value creation to shareholders.

The peer group for the 2006 award, as for the 2005 award, is:^(a)

UK	Mainland Europe	US
HBOS	ABN Amro	Citigroup
HSBC	BBVA	JP Morgan Chase
Lloyds TSB	BNP Paribas	
Royal Bank of Scotland	Deutsche Bank	
	UBS	

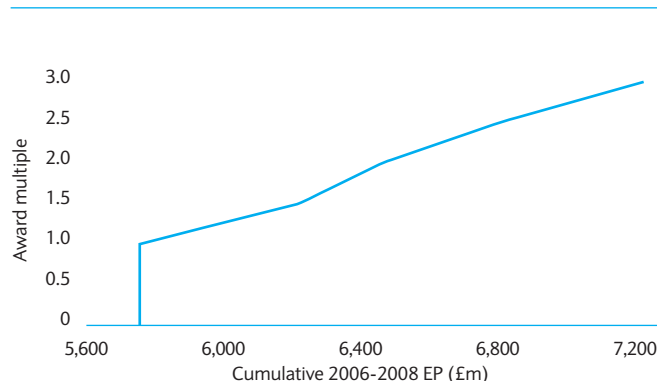
The performance scale for the TSR element of the 2006 award is shown in the chart below:

Total Shareholder Return Performance Scale



The performance scale for the EP element of the 2006 award is shown in the chart below:

EP Performance Scale



EP comprises profit after tax and minority interests less a capital charge.

Independent confirmation is provided to the Committee as to whether a performance condition has been met.

ISOP

ISOP has not been used for awards to executive Directors since 2004. Details of ISOP can be found on page 139. Awards in 2003 and 2004 under ISOP include financial metrics or thresholds. These were adjusted where necessary to neutralise the effect of the introduction of IFRS.

The main performance condition is TSR relative to a peer group of 11 other major international banks, combined with an EP threshold.

The peer group for the 2003 and 2004 ISOP was: Abbey National, ABN Amro, BBVA, BNP Paribas, Citigroup, Deutsche Bank, HBOS, HSBC, Lloyds TSB, Royal Bank of Scotland and Standard Chartered.

Retained Incentive Opportunity

Robert E Diamond Jr retains an opportunity to be considered for an award in February 2008 up to a maximum value of £14.85m, subject to performance criteria based on the delivery of EP at Barclays Capital over the period 2005 to 2007. EP was chosen as this is an appropriate measure to align the interests of the participant with those of shareholders and is a good measure of value creation for shareholders. Details of the award are provided on page 137.

Sharesave

All eligible employees including executive Directors may participate in Sharesave. Sharesave is an HMRC (Her Majesty's Revenue and Customs) approved all-employee share option plan. HMRC does not permit performance conditions to be attached to the exercise of Sharesave options. Under Sharesave, participants are granted options over Barclays shares. Each participant may save up to £250 per month to purchase Barclays shares at a discount. For the 2006 grant, the discount was 20% of the market value of a share at the time the option was granted. Sharesave is also offered to employees in Spain and Ireland. Following the 2006 invitation, a total of 41,371 employees in the UK, Spain and Ireland were participants in Sharesave with 79 million shares under option.

Sharepurchase

Sharepurchase was introduced in January 2002. It is an HMRC approved all-employee share plan. Sharepurchase is open to all eligible employees including executive Directors. Under Sharepurchase, participants are able to purchase up to £1,500 worth of Barclays shares each year, which, if kept in trust for five years, can be withdrawn from Sharepurchase tax-free. Any shares in Sharepurchase will earn dividends in the form of additional shares, which must normally be held by the trustee on behalf of the participant for no less than three years.

Note

(a) The reserve companies for the 2005 and 2006 awards are Banco Santander, Morgan Stanley, Bank of America and Wachovia.

To encourage employee ownership of Barclays shares, Barclays matches, share for share, up to the first £600 each employee invests in Sharepurchase in each tax year. Matching shares must normally be held by the trustee on behalf of the participant for no less than three years.

At 31st December 2006, 19,619 employees were participants in Sharepurchase, with a total of 9.7 million shares held on their behalf by the Sharepurchase trustee.

Dilution Limits

The outstanding awards under ISOP and Sharesave are intended to be satisfied by the issue of new Barclays shares or through treasury shares within the limits agreed by shareholders when these plans were approved. These limits comply with the Association of British Insurers' guidelines restricting dilution from employee share plans. The overall limits under the guidelines are that no more than 10% of a company's issued share capital may be used in any ten-year period. Up to 5% may be used for executive share plans. Shares in Barclays Global Investors UK Holdings Limited issued as a result of option exercises under the BGI EOP also count towards these limits. As at 31st December 2006, Barclays headroom under these limits, i.e. the amount remaining available for issue, was 3.3% and 1.2% respectively.

Employees' Benefit Trusts (EBTs)

The trustees of the Barclays EBTs grant awards under ESAS and PSP over existing Barclays shares which they have purchased in the market. The trustees of the Barclays EBTs have informed the Bank that their normal policy is to abstain from voting in respect of the Barclays shares held in trust.

Pensions

All Group pension arrangements are managed in accordance with the Global Retirement Fund Governance Framework to ensure best practice in respect of regulatory compliance, governance, investment and administration. The framework is overseen by the Committee.

Pension benefits for executive Directors are provided through defined benefit plans, defined contribution plans, unfunded unapproved retirement benefit arrangements or a combination of these. The pension benefit applicable will depend on the date an executive Director was appointed and their individual situation. Annual performance related bonuses are not included in pensionable salary.

The Group's closed UK defined benefit pension arrangement, of which John Varley, Gary Hoffman and David Roberts are members, is a non-contributory scheme. Benefits are provided on leaving service at normal pension age (60) by reference to the executive Director's length of service, normally by reference to 1/60th of pensionable salary for each year of pensionable service (John Varley's pension accrual is provided through the scheme in accordance with his service contract as set out in the notes to the pensions table on page 134).

The Group's closed UK defined benefit pension arrangement also provides that, in the event of death before retirement, a cash lump sum of up to four times salary is paid together with a dependant's pension of 50% of the pension that would have been payable had the member remained in active service until their normal pension age. For death in retirement, a dependant's pension is payable of approximately 50% of the member's pension at the date of death, not taking into account commutation of any cash lump sum at the time of the member's retirement. If a member is granted a deferred pension that has not yet come into payment, the widow/widower receives a pension of 50% of the deferred pension payable. Where applicable, children's pensions are payable, usually up to the age of 18. Enhanced benefits may be payable if it is determined that a member is unable to work as a result of serious ill-health.

The Group's US non-contributory defined benefit arrangement, of which Robert E Diamond Jr is a member, provides a benefit at age 65 of 1/60th of final average pensionable pay plus 0.3% of final average pensionable pay in excess of the US Internal Revenue Service's covered compensation limit for each year of pensionable service (up to a maximum of 30 years). In line with current market practice, final average pay in the US includes an element of bonus subject to overall plan limits. In the event of a member's death before retirement, a spouse's pension of approximately 50% of the member's pension had the member taken early retirement on the date of death, is payable. On death after retirement, a spouse's pension of 50% of the pension in payment is payable. In addition, enhanced benefits are payable if the member qualifies for disability benefits.

The US Restoration Plan, of which Robert E Diamond Jr is also a member, is an unfunded unapproved arrangement which restores reductions in the benefits provided through the approved US plan resulting from the application of relevant compensation and benefit limitations under the US Internal Revenue Code. Robert E Diamond Jr participates in this plan on similar terms to other Barclays senior executives participating in US benefit plans.

Robert E Diamond Jr also participates in the Barclays Bank PLC 401K Thrift Savings Plan and Thrift Restoration Plan on similar terms to other Barclays senior executives in the US.

Where appropriate, cash allowances are provided to executive Directors in lieu of being able to join a Group pension arrangement. Both Naguib Kheraj and Frits Seegers receive such cash allowances.

In the event that an executive Director builds up pension benefits close to, or in excess of, the HMRC Lifetime Allowance, the executive Director is eligible to opt for a cash allowance instead of continued pension accrual. The allowance given is no more than the cost of funding the existing pension benefit.

Service Contracts

The Group has service contracts with its Chairman and executive Directors. The effective dates of the contracts for the Chairman and executive Directors who served during 2006 are shown in the table on page 131. The service contracts do not have a fixed term but provide for a notice period from the Group of one year and normally for retirement at age 65, except for David Roberts and Naguib Kheraj who are leaving the Group. The Committee's policy is that executive Directors' contracts should allow for termination with contractual notice from the Group, except in circumstances of gross misconduct when notice is not given.

The Committee's approach when considering payments in the event of termination is to take account of the individual circumstances including the reason for termination, contractual obligations and share and pension plan rules.

Payments in the event of termination are also subject to mitigation if alternative employment is found during any period of pay in lieu of notice.

Directors ^(a)	Effective date of contract	Notice period	Potential compensation for loss of office
Matthew W Barrett ^{(b)(c)}	1st Sept 2004	1 year	1 year's contractual remuneration ^(d)
John Varley	1st Sept 2004	1 year	"
Robert E Diamond Jr	1st Jun 2005	1 year	"
Gary Hoffman	1st Jan 2004	1 year	"
Naguib Kheraj	1st Jan 2004	1 year	"
David Roberts ^(b)	1st Jan 2004	1 year	"
Frits Seegers ^(b)	7th Jun 2006	1 year	"

Barclays Capital, BGI and Barclays Wealth

The Committee has established frameworks for the governance of remuneration in these businesses. Ranges have been set for key financial and compensation ratios such as operating margin, operating costs to net revenue, compensation to pre-compensation profit before tax and bonus expenditure as a percentage of pre-bonus profits. The Committee approves aggregate bonus and long-term incentive expenditure, and strategic investment for new hires. The Committee also approves individual compensation for the members of the management teams, and any employee with total compensation in excess of £750,000.

The BGI EOP

BGI is Barclays asset management business headquartered in San Francisco. The BGI EOP was approved by shareholders at Barclays 2000 AGM to provide the employee share incentive arrangements required to recruit and retain the quality of senior management and investment talent appropriate for building a global investment management business. The BGI EOP was designed to provide participants with a long-term equity interest in BGI to meet the expectations of, in particular, BGI's key investment talent in the United States, who could expect to participate in the equity of their employer. Under the terms of the BGI EOP, options are granted at fair value to key BGI employees over shares in Barclays Global Investors UK Holdings Limited (BGI Holdings) within an overall cap of 20% of the issued ordinary share capital of BGI Holdings.

All grants of options are approved by the Committee. The Committee is also advised of option exercises and share sales by employees. Directors of Barclays PLC are not eligible to receive options under the BGI EOP.

In summary the BGI EOP operates as follows:

- Certain key BGI employees are granted options over shares in BGI Holdings.
- The option exercise price is based on the fair value of a BGI Holdings share at the date of grant determined by an independent appraiser.
- The options generally vest evenly over a three-year period and can be exercised in two annual exercise windows.
- Option holders are required to fund the exercise without any financial support from any member of the Barclays Group.

Notes

(a) Details of executive Directors standing for re-election at the 2007 AGM are set out on page 116.

(b) Matthew W Barrett retired on 31st December 2006, David Roberts ceased to be a Director on 31st December 2006 and Frits Seegers was appointed as an executive Director on 10th July 2006.

(c) There was no formal retirement date under Matthew W Barrett's contract. However, his pension may not commence later than 20th September 2019 (age 75).

(d) One year's contractual remuneration is calculated as follows: 12 months' base salary, bonus, if eligible (being the average of the previous three years' bonus awards, in some cases (Gary Hoffman, Naguib Kheraj and David Roberts) capped at 100% of base salary), medical benefit (while an employee) and continuation of pension benefits. Payments in the event of termination are subject to mitigation if alternative employment is found during any period of pay in lieu of notice.

Once employees become shareholders, they are subject to the Articles of BGI Holdings under which:

- Shareholders are required to hold the shares for a minimum of 355 days. As shareholders, employees derive the full risks and rewards of ownership, including voting rights and entitlement to any ordinary dividends paid by BGI Holdings.
- On expiry of the minimum holding period, shareholders may, but are not obliged to, offer their shares for sale during two annual sales windows.
- Barclays Bank PLC, at its discretion, has a right to purchase shares so offered, but is not obliged to do so.

The table below contains information of the number of shares in BGI Holdings over which options were granted, outstanding and exercised in 2005 and 2006:

Year	Number granted during year (000s)	Number outstanding at year end (000s)	Number exercised (000s)
2005	2,360	5,442	4,368
2006	3,973	6,929	2,188

In 2006 BGI employees exercised options over 2.2m (2005: 4.4m) shares for consideration of £44m (2005: £49m); Barclays Bank PLC purchased 4.9m (2005: 3.4m) shares offered for sale by shareholders for consideration of £410m (2005: £160m). As at 31st December 2006, employees own 9.4% of BGI Holdings (2005: 12.1%).

BGI EOP – Accounting and disclosure

The BGI EOP is accounted for as an equity settled share-based payment in accordance with IFRS 2 'Share-based Payment'. The fair value of the services received from the employees is measured by reference to the fair value of the share options granted on the date of the grant. The cost of the employee services received in respect of the share options granted is recognised in the income statement over the period that the services are received. The cost for 2006 of £37.4m (2005: £14.9m, 2004: £10.5m) is included in staff costs in Note 8 to the accounts. In accordance with IFRS 2, details of share options granted and exercised, together with weighted average fair values at grant date and weighted average exercise prices are set out in Note 51 to the accounts. In accordance with IAS 33 'Earnings per Share', unexercised options are taken into account in the calculation of diluted earnings per share as set out in Note 11 to the accounts.

For Group reporting, the exercise of options by employees is treated as a deemed disposal of interests in a subsidiary, as its holding in the subsidiary has been reduced for the consideration represented by the exercise price. Any subsequent purchase of shares offered for sale by employees is treated as a purchase of an additional investment in a subsidiary entity. The cash flows relating to these capital transactions are included in the Consolidated cash flow statement and disclosed, along with other disposals and acquisitions, in Notes 43 and 44 to the accounts respectively and related movements in goodwill and minority interests are included in Notes 23 and 38 to the accounts respectively.

Non-executive Directors

The Board determines the fees of non-executive Directors and the fees are reviewed annually. The fee structure as at 31st December 2006 is shown below.

Base fee	£65,000
Plus:	
Chairman of Board Audit Committee	£50,000
Chairman of the Board HR and Remuneration Committee	£40,000
Chairman of Board Risk Committee	£30,000
Members of the Board Audit Committee	£20,000
Members of the following Board Committees: Risk, HR and Remuneration and Corporate Governance and Nominations	£15,000

As Deputy Chairman, Sir Nigel Rudd receives £200,000. He did not receive an additional fee for chairing the Board HR and Remuneration Committee in 2006. Similarly, as Chairman, Matthew Barrett received a salary of £650,000, without any additional fee for chairing the Board Corporate Governance and Nominations Committee. Sir Richard Broadbent receives an additional £30,000 in respect of his role as Senior Independent Director. Until his appointment as Chairman became effective, Marcus Agius received the base fee of £65,000 (pro rata) as a non-executive Director.

The Board's policy is that fees should reflect individual responsibilities and membership of Board Committees. Barclays encourages its non-executive Directors to build up a holding in Barclays shares. £20,000 of each Director's base fee of £65,000 is used to buy Barclays shares. These shares, together with reinvested dividends, are retained on behalf of the non-executive Directors until they retire from the Board. They are included in the table of Directors' interests in Barclays shares on page 140. Non-executive Directors do not receive awards in share plans for employees, nor do they accrue pension benefits from Barclays for their non-executive services.

Non-executive Directors do not have service contracts but each has a letter of appointment. For each non-executive Director who served during 2006, the effective date of their appointment, notice period and the Group's liability in the event of early termination are shown in the following table.

Non-executive Directors ^(a)	Effective date of letter of appointment	Notice period	Group liability in the event of early termination
Sir Richard Broadbent	1st Sep 2003	6 months	6 months' fees
Leigh Clifford	1st Oct 2004	"	"
Dr Danie Cronjé	1st Sep 2005	"	"
Fulvio Conti	1st Apr 2006	"	"
Professor Dame Sandra Dawson	1st Mar 2003	"	"
Sir Andrew Likierman	1st Sep 2004	"	"
Sir Nigel Rudd	1st Feb 1996	"	"
Stephen Russell	25th Oct 2000	"	"
Sir John Sunderland	1st Jun 2005	"	"
Former Directors			
Sir David Arculus	1st Feb 1997	–	–
Robert Steel	1st Jun 2005	–	–

Each appointment is for an initial six-year term, renewable for a single term of three years thereafter, with the exception of Sir Nigel Rudd, whose appointment as Deputy Chairman is reviewed annually. Details of non-executive Directors standing for re-election at the 2007 AGM are set out on page 116.

Future Policy

The Committee will keep the existing remuneration arrangements, as detailed in this Report, under review during 2007 and ensure that Barclays programmes remain competitive and provide appropriate incentive for performance. As usual, there will be individual reviews of base salary, annual bonus (including ESAS) and awards under the long-term incentive plans.

Audited Information

As required by Part 3 of Schedule 7A of the Companies Act 1985, the Group's auditors, PricewaterhouseCoopers LLP, have audited the information contained on pages 133 to 139.

Note

(a) Marcus Agius was a non-executive Director during 2006 and became Chairman on 1st January 2007. Details of his service contract are set out on page 128.

2006 Annual Remuneration^(a)

	Salary and fees £000	Benefits ^(b) £000	Annual cash bonus £000	2006 Total £000	2005 ^(c) Total £000	Executive Share Award Scheme ESAS	
						2006 £000 ^(d)	2005 £000
Chairman							
Matthew W Barrett ^(e)	650	50	–	700	704	–	–
Executive Directors							
John Varley ^(f)	888	15	1,613	2,516	2,249	699	601
Robert E Diamond Jr ^(g)	250	17	10,425	10,692	4,528	4,518	1,896
Gary Hoffman ^(f)	625	14	469	1,108	1,074	203	244
Naguib Kheraj ^{(f)(h)}	650	165	1,750	2,565	1,451	–	358
David Roberts ^{(f)(i)}	575	11	1,500	2,086	1,336	–	358
Frits Seegers ^{(f)(j)}	336	94	1,200	1,630	–	520	–
Non-executive Directors^(k)							
Marcus Agius ^(l)	22	–	–	22	–	–	–
Sir Richard Broadbent	147	–	–	147	123	–	–
Leigh Clifford	76	–	–	76	60	–	–
Fulvio Conti ^(m)	54	–	–	54	–	–	–
Dr Danie Cronjé	326	–	–	326	132	–	–
Professor Dame Sandra Dawson	81	–	–	81	71	–	–
Sir Andrew Likierman	96	–	–	96	86	–	–
Sir Nigel Rudd	200	–	–	200	179	–	–
Stephen Russell	137	–	–	137	127	–	–
Sir John Sunderland	81	–	–	81	40	–	–
Former Directors							
Sir David Arculus ⁽ⁿ⁾	28	–	–	28	83	–	–
Robert Steel ^(o)	62	–	–	62	39	–	–

Notes

- (a) Emoluments include amounts, if any, payable by subsidiary undertakings. Amounts payable to Dr Danie Cronjé include an amount of ZAR3,114,800 (£249,829) in respect of his Chairmanship of Absa Group Limited (2005: ZAR1,193,275 (£109,734) and ZAR37,913 (£3,486) of benefits).
- (b) The Chairman and executive Directors receive benefits in kind, which may include life and disability cover, the use of a Company owned vehicle or cash equivalent, medical insurance and tax advice. Benefits are provided on similar terms to other senior executives. No Director has an expense allowance.
- (c) Total remuneration for 2005 includes any amounts waived by way of Special Company Contribution (Bonus Sacrifice).
- (d) The amounts shown for ESAS represent the value of shares to be recommended for an award under ESAS in 2007 for each executive Director, including a maximum potential 30% bonus share element.
- (e) Matthew W Barrett retired as Chairman on 31st December 2006. No additional payments were due to Matthew W Barrett on his retirement.
- (f) John Varley is a Director of Ascot Authority (Holdings) Limited and British GroLux Investments Limited, for which he received fees of £26,000 and £7,500 respectively in 2006 (2005: £24,648 and £6,000 respectively). John Varley is a non-executive Director of AstraZeneca plc for which he received fees of £21,075 in 2006 (2005: £nil). John Varley is also a member of the International Advisory Panel of the Monetary Authority of Singapore for which he received fees of US\$10,000 in 2006 (2005: £nil). John Varley is Chairman of Business Action on Homelessness and President of the Employers' Forum on Disability for which he receives no fees. Gary Hoffman is a Director of Visa (Europe) Limited, for which he receives no fee and Trinity Mirror plc, for which he received fees of £50,000 in 2006 (2005: £39,521). David Roberts was a non-executive Director of BAA PLC during the period March 2006 to June 2006, for which he received fees of £14,333 (2005: £nil). Naguib Kheraj is a member of the Board of Governors of the Institute of Ismaili Studies and Chairman of the National Committee of the Aga Khan Foundation (UK) for which he receives no fees. Naguib Kheraj and (from 23rd October 2006) Frits Seegers are non-executive Directors of Absa Group Limited and Absa Bank Limited. David Roberts was a non-executive Director of Absa Group Limited and Absa Bank Limited until 23rd October 2006. They have each waived their fees, which were paid to Barclays. Their respective fees were ZAR425,100 (£34,096), ZAR75,400 (£6,048) and ZAR381,367 (£30,588) (2005: ZAR161,033 (£14,809) for Naguib Kheraj, ZAR140,366 (£12,908) for David Roberts and £nil for Frits Seegers).
- (g) Robert E Diamond Jr joined the Board on 1st June 2005. The amount shown in the "2005 Total" column is for the period from that date to 31st December 2005. The remuneration for 2006 for Robert E Diamond Jr was based on the strong performance of Barclays Capital, Barclays Global Investors and Barclays Wealth, both on an absolute and industry relative basis and given significant upward movement in market reference points. The composition of this package remains consistent with the composition of remuneration shown on page 127.
- (h) Naguib Kheraj received an allowance of 23% of base salary (£149,500) in lieu of pension contributions (2005: £115,000). This amount is included in the amount shown in the column for 'Benefits'.
- (i) David Roberts ceased to be a Director on 31st December 2006. His service contract provides for a notice period of 12 months or contractual pay in lieu of notice for 12 months, subject to mitigation if alternative employment is found during the period of pay in lieu of notice. Contractual pay on termination includes base salary (£600,000), £150,000 in respect of pension benefit entitlement and a bonus capped at 100% of base salary (£600,000), totalling up to £1,350,000, payable in 2007, subject to mitigation. The notice period commenced on 1st January 2007.
- (j) Frits Seegers was appointed as an executive Director on 10th July 2006. In addition to the amount shown in the column for 'Salary and Fees', Frits Seegers received a cash payment of £3,408,000 in July 2006 in recognition of forfeited share awards and benefits from his previous employment. In addition, in August 2006 Frits Seegers received an award under ESAS over 802,208 Barclays shares in recognition of forfeited share awards and benefits. This is shown in the ESAS table on page 136 and is not included in the ESAS column in the table above. Bonus shares are not applicable to this award. Frits Seegers also received an allowance of 25% of base salary (£84,028) in lieu of pension contributions. This amount is included in the amount shown in the column for 'Benefits'.
- (k) Fees to non-executive Directors include an amount of £20,000 per annum which, after tax, is used to buy Barclays shares. Further details are provided on page 140.
- (l) Marcus Agius was appointed as non-executive Director on 1st September 2006.
- (m) Fulvio Conti was appointed as non-executive Director on 1st April 2006.
- (n) Sir David Arculus resigned from the Board on 27th April 2006.
- (o) Robert Steel resigned from the Board on 11th October 2006.

Chairman and executive Directors: pension accrued assuming retirement at normal pension age^{(a)(b)(c)}

	Age at 31st December 2006	Completed years of service	Accrued pension at 31st December 2005 £000	Pension accrued during 2006 (including inflation) £000	Pension accrued during 2006 (excluding inflation) £000	Accrued pension at 31st December 2006 £000	Transfer value of accrued pension at 31st December 2005 £000	Transfer value of accrued pension at 31st December 2006 £000	Increase in transfer value during the year £000
Chairman									
Matthew W Barrett ^(d)	62	7	–	–	–	–	–	–	–
Executive Directors									
John Varley ^{(e)(f)}	50	24	374	44	30	418	6,338	7,696	1,358
Robert E Diamond Jr ^{(g)(h)}	55	10	37	(1)	(1)	36	207	195	(12)
Gary Hoffman ^(f)	46	24	198	55	47	253	1,723	2,352	629
Naguib Kheraj ^{(i)(j)}	42	9	–	–	–	–	–	–	–
David Roberts	44	23	190	33	26	223	1,503	1,893	390
Frits Seegers ⁽ⁱ⁾	48	–	–	–	–	–	–	–	–

Notes

- (a) Pension accrued during the year represents the change in accrued pension (including inflation at the prescribed rate of 3.6%) which occurred during the entire year. The pensions paid from the final salary section of the applicable pension fund are reviewed annually. Pensions increase by a minimum of the increase in the retail prices index (up to a maximum of 5%), subject to the scheme rules.
- (b) The transfer values have been calculated in a manner consistent with the Retirement Benefit Scheme – Transfer Values (GN11) published by the Institute of Actuaries and the Faculty of Actuaries.
- (c) With the exception of Matthew W Barrett and the benefits provided through the US Restoration Plan for Robert E Diamond Jr, the pension benefits for all Directors shown above are provided for on a funded basis.
- (d) During the year and up until his retirement on 31st December 2006, Matthew W Barrett was not a member of any of the Group's registered pension arrangements. Instead a notional fund was accrued on his behalf through an Unfunded Unapproved Retirement Benefits Scheme. No contributions were made to this arrangement in 2006 or since becoming Chairman. In addition, had Mr Barrett died during the year, before leaving employment, a capital lump sum of up to 4 times his base salary would have been payable.
- (e) John Varley is a member of the Group's closed UK defined benefit pension arrangement. This non-contributory pension scheme has a normal pension age of 60 and in accordance with his service contract, the scheme provides him with a pension benefit of 66.67% of his Pensionable Salary at normal pension age. Should John Varley retire at age 55, the scheme provides for an unreduced pension of 60% of Pensionable Salary.
- (f) In addition to the transfer value of accrued pension at 31st December 2006, John Varley and Gary Hoffman also have defined contribution benefits. John Varley's benefit is in respect of a transfer from a previous pension arrangement while Gary Hoffman's benefit is in respect of Special Company Contributions (Bonus Sacrifice). During 2006, Special Company Contributions (Bonus Sacrifice) of £225,000 were paid in respect of Gary Hoffman. The fund value of these arrangements as at 31st December 2006 for John Varley and Gary Hoffman were £662,554 and £623,104 respectively.
- (g) The benefits shown above in respect of Robert E Diamond Jr's participation in the Group's US non-contributory defined benefit arrangement and the US Restoration Plan have been converted to Pounds Sterling using the 2006 year-end exchange rate of US\$1.96 (2005: US\$1.72).
- (h) Robert E Diamond Jr is also a member of the Barclays Bank PLC 401K Thrift Savings Plan and Thrift Restoration Plan. These are US defined contribution plans. Company contributions into these plans in 2006 amounted to £11,414 (US\$21,000).
- (i) Naguib Kheraj and Frits Seegers do not participate in any of the Group's pension arrangements. Instead they receive a cash allowance in lieu of pension contributions of 23% and 25% of their respective base salaries. Naguib Kheraj's cash allowance in 2006 amounted to £149,500, while Frits Seegers' cash allowance in 2006 was £84,028.
- (j) In addition to the cash allowance in lieu of pension contributions, Naguib Kheraj has defined contribution benefits in respect of a previous period of participation in the Retirement Investment Scheme. The fund value of this deferred benefit as at 31st December 2006 was £108,963.

Chairman and executive Directors: illustration of change in value of Barclays PLC shares owned beneficially, or held under option or awarded under employee share plans during the year^{(a)(h)}

	Number at 31st December 2006						Notional value based on share price of £6.11 ^(f) £000	Notional value based on share price of £7.30 ^(g) £000	Change in notional value £000	
	Shares owned beneficially ^(b)	ESAS ^(c)	PSP ^(d)	Executive Share Option Scheme (ESOS) ^(e)	ISOP ^(e)	Sharesave				Total
Chairman										
Matthew W Barrett	2,000	290,309	–	766,628	832,000	–	1,890,937	4,452	6,702	2,250
Executive Directors										
John Varley	375,053	278,211	295,793	–	920,000	4,096	1,873,153	7,373	9,602	2,229
Robert E Diamond Jr	2,531,582	5,282,875	820,819	100,000	560,000	–	9,295,276	53,854	64,915	11,061
Gary Hoffman	319,186	166,526	171,850	–	540,000	6,474	1,204,036	4,892	6,325	1,433
Naguib Kheraj	141,442	790,317	194,745	60,000	520,000	4,007	1,710,511	7,875	9,910	2,035
David Roberts	225,577	178,140	168,008	–	260,000	3,974	835,699	3,965	4,960	995
Frits Seegers	4,319	802,208	157,728	–	–	–	964,255	5,959	7,039	1,080

Notes

- (a) The register of Directors' interests, which shows full details of Directors' current share awards and options, is available for public inspection at the Group's head office in London.
- (b) The number shown includes shares held under Sharepurchase.
- (c) ESAS includes the maximum potential 30% bonus share element where applicable.
- (d) The number of shares shown represents the initial allocation of shares.
- (e) The number of shares shown represents the target award shares under option, or the actual number of shares under option if the award had vested as at 31st December 2006.
- (f) With the exception of Frits Seegers, the notional value is based on the share price as at 31st December 2005. The notional value for Frits Seegers is based on a share price of £6.18, which was the share price as at 10th July 2006, the date he was appointed executive Director.
- (g) The notional value is based on the share price as at 31st December 2006. The highest and lowest market prices per share during the year were 737p and 585p respectively.
- (h) Under PSP, ESAS, ISOP, ESOS and Sharesave, nothing was paid by the participants on the grant of options or awards.

Chairman and executive Directors: shares provisionally allocated and shares under option under ESAS^{(a)(h)(i)(j)}

	During 2006							Number at 31st December 2006
	Number at 1st January 2006	Awarded in respect of the results for 2005 ^(b)	Released ^(c)	Market price on Release date £	Exercised ^(d)	Market price on Exercise date £	Bonus shares lapsed	
Chairman								
Matthew W Barrett	350,534	–	–	–	55,592	7.11	4,633	290,309
Executive Directors								
John Varley	206,074	92,441	20,304	6.62	–	–	–	278,211
Robert E Diamond Jr ^(e)	6,261,163	499,679	1,191,843	6.62	–	–	–	5,282,875
			286,124	6.74	–	–	–	
Gary Hoffman	345,564	37,477	216,515	6.62	–	–	–	166,526
Naguib Kheraj	937,361	54,967	202,011	6.62	–	–	–	790,317
David Roberts	334,844	54,967	211,671	6.62	–	–	–	178,140
Frits Seegers	–	802,208	–	–	–	–	–	802,208

Shares under option under ESAS and voluntary ESAS at 31st December 2006 (with the exception of voluntary ESAS, shares under option are included in aggregate figures above)

	Nil cost option granted at 3rd anniversary ^(f)	Nil cost option held under voluntary ESAS ^(g)	Date from which exercisable	Latest expiry date
Chairman				
Matthew W Barrett	–	–	–	–
Executive Directors				
John Varley	48,036	–	07/03/05	28/02/08
Robert E Diamond Jr	–	–	–	–
Gary Hoffman	33,410	136,584	26/02/99	05/03/14
Naguib Kheraj	429,536	–	07/03/05	28/02/08
David Roberts	31,792	–	07/03/05	28/02/08
Frits Seegers	–	–	–	–

Notes

- (a) The number of shares shown in the table includes the maximum potential 30% bonus share element where applicable.
- (b) An award was granted to Frits Seegers in August 2006 following his appointment as an executive Director on 10th July 2006 in recognition of forfeited share awards and benefits from his previous employment. Bonus shares are not applicable to the award. Frits Seegers also received a cash payment in July 2006 in recognition of forfeited share awards and benefits from his previous employment, as referred to in footnote (j) on page 133.
- (c) The trustees may release additional shares to participants which represent accumulated dividends (net of withholding) in respect of shares under award. During 2006, the trustees released the following accumulated dividend shares – 4,486 to John Varley, 197,517 to Robert E Diamond Jr, 26,512 to Gary Hoffman, 23,309 to Naguib Kheraj and 25,443 to David Roberts. These are not awarded as part of the original award and consequently are not included in the Released column.
- (d) The trustees may release additional shares to participants which represent accumulated dividends (net of withholding) in respect of shares under award. During 2006, the trustees released 8,223 accumulated dividend shares to Matthew W Barrett. These are not awarded as part of the original award and are consequently not included in the Exercised column.
- (e) The number shown in the column headed 'Number at 1st January 2006' includes shares held by Robert E Diamond Jr which reflect interests built up over the course of successive years' service with Barclays. The awards were related to Robert E Diamond Jr's contribution to the performance of Barclays Capital, BGI and the Barclays Group.
- (f) The shares under option shown in this column are already included in the numbers shown at 1st January 2006 and relate to provisional allocations made in 2002 and 2003 except that the figures do not include accumulated dividend shares under option as follows: 6,484 shares for John Varley, 4,484 shares for Gary Hoffman, 57,765 shares for Naguib Kheraj and 4,272 shares for David Roberts. Under ESAS, a participant pays £1 to exercise an option, irrespective of the number of shares involved.
- (g) The shares under option in this column are not included in the numbers shown at 1st January 2006 or 31st December 2006 in the first table on this page.
- (h) Awards in respect of 2006 will be made in March 2007. Including the maximum potential 30% bonus share element, awards will total £698,750 to John Varley, £4,517,500 to Robert E Diamond Jr, £203,125 to Gary Hoffman and £520,000 to Frits Seegers.
- (i) Nothing was paid by the participants on the grant of options or awards.
- (j) Please refer to page 128 for further details on ESAS and voluntary ESAS.

Executive Directors: awards under PSP^{(a)(e)}

	Shares under initial allocation at 1st January 2006	Shares under initial allocation granted during 2006 ^(b)	Maximum number of shares granted during 2006	Market price on award date £ ^(c)	Performance period ^(d)	Scheduled vesting date	Shares under initial allocation at 31st December 2006	Maximum number of shares under award at 31st December 2006
Executive Directors								
John Varley								
2005	142,045	–	–	–	01/01/05 – 31/12/07	16/06/08	142,045	426,135
2006	–	153,748	461,244	6.75	01/01/06 – 31/12/08	23/03/09	153,748	461,244
Total							295,793	887,379
Robert E Diamond Jr								
2005	52,083	–	–	–	01/01/05 – 31/12/07	16/06/08	52,083	156,249
2006	–	768,736	2,306,208	6.75	01/01/06 – 31/12/08	23/03/09	768,736	2,306,208
Total							820,819	2,462,457
Gary Hoffman								
2005	75,758	–	–	–	01/01/05 – 31/12/07	16/06/08	75,758	227,274
2006	–	96,092	288,276	6.75	01/01/06 – 31/12/08	23/03/09	96,092	288,276
Total							171,850	515,550
Naguib Kheraj								
2005	87,121	–	–	–	01/01/05 – 31/12/07	16/06/08	87,121	261,363
2006	–	107,624	322,872	6.75	01/01/06 – 31/12/08	23/03/09	107,624	322,872
Total							194,745	584,235
David Roberts								
2005	75,758	–	–	–	01/01/05 – 31/12/07	16/06/08	75,758	227,274
2006	–	92,250	276,750	6.75	01/01/06 – 31/12/08	23/03/09	92,250	276,750
Total							168,008	504,024
Frits Seegers								
2006	–	157,728	473,184	6.36	01/01/06 – 31/12/08	04/08/09	157,728	473,184
Total							157,728	473,184

Executive Directors: Retained Incentive Opportunity^{(f)(g)}

	Date of award	Maximum potential value £000s	Performance period	Vesting date
Robert E Diamond Jr	25/05/05	14,850	01/01/05 – 31/12/07	No later than 15/03/08

Notes

- (a) The shares granted during 2005 and 2006 are scheduled for release in June 2008 and March 2009 (August 2009 for Frits Seegers) respectively, to the extent that the applicable performance conditions are achieved. Dividend shares may also be released in respect of the vested shares.
- (b) In respect of John Varley, Robert E Diamond Jr, Gary Hoffman, Naguib Kheraj and David Roberts, the price used to convert the present fair value of the award to a number of shares was £6.50. This was an average over the period 21st February 2006 to 10th March 2006. In respect of Frits Seegers, the price used to convert the present fair value of the award to a number of shares was £6.34, which was the price at which shares were purchased in the market to fund the award.
- (c) The price shown is the mid-market closing price on the date of the award.
- (d) The details of the performance conditions for PSP are included on page 129.
- (e) Nothing was paid by the participants on the grant of awards.
- (f) This Retained Incentive Opportunity is specific to Robert E Diamond Jr, under which he retains an opportunity broadly equivalent to a prior opportunity to participate in a Barclays Capital long-term incentive arrangement. It is intended to maintain close alignment of reward with Robert E Diamond Jr's continued contribution to the performance of Barclays Capital. The performance measure is the cumulative EP performance of Barclays Capital during the period 1st January 2005 to 31st December 2007. To achieve the maximum potential value shown above, Barclays Capital would need to generate cumulative EP of £2bn over the performance period. If EP for the performance period is less than £500m, Robert E Diamond Jr will not be eligible for any award. If the minimum performance requirement of £500m EP is met, the potential value of the award would be in a range of £0.65m to £1.08m. The potential value of the Retained Incentive Opportunity between £500m cumulative EP and £2bn cumulative EP is subject to a performance curve graduated to deliver higher proportionate value at higher levels of cumulative EP. Robert E Diamond Jr must normally be in the employment of the Barclays Group on the vesting date, to remain eligible. In determining the potential value of the Retained Incentive Opportunity, the Committee will take into account Robert E Diamond Jr's individual contribution during the performance period, and the underlying financial health of the Barclays Group. The amount and basis for determining any entitlement under the Retained Incentive Opportunity will not be altered to the advantage of Robert E Diamond Jr without prior approval of shareholders in general meeting.
- (g) Under the Retained Incentive Opportunity, 50% of any potential award would be payable in cash on the vesting date. A recommendation would be made to the trustee of ESAS for an award of Barclays shares, in the form of a provisional allocation, in respect of the remaining 50%. Any shares under the ESAS award would be releasable after 12 months from the award date. The Retained Incentive Opportunity is not pensionable.

Chairman and executive Directors: shares under option under Sharesave^(a)

	During 2006			Information as at 31st December 2006					
	Number held at 1st January 2006	Granted	Exercised	Exercise price per share £	Market price on date of exercise £	Number of shares held under option	Weighted average exercise price of outstanding options £	Date from which exercisable	Latest expiry date
Chairman									
Matthew W Barrett	2,479	–	2,479	3.73	7.05	–	–	–	–
Executive Directors									
John Varley	4,096	–	–	–	–	4,096	4.11	01/11/06	30/04/07
Robert E Diamond Jr	–	–	–	–	–	–	–	–	–
Gary Hoffman	6,091	1,743	1,360	3.56	7.05	6,474	4.29	01/11/07	30/04/14
Naguib Kheraj	4,007	–	–	–	–	4,007	4.08	01/11/09	30/04/10
David Roberts	5,227	631	1,068	3.16	6.65	3,974	4.10	01/11/07	30/04/12
			816	4.11	7.05				
Frits Seegers ^(b)	–	–	–	–	–	–	–	–	–

Notes

(a) Nothing was paid by the participants on the grant of options.

(b) Frits Seegers was appointed as an executive Director on 10th July 2006 and was therefore not eligible to participate in the 2006 Sharesave invitation.

Chairman and executive Directors: plans used in previous years (ESOS, ISOP and the BGI EOP)

The Chairman and executive Directors continue to have interests in Barclays PLC ordinary shares under ESOS^(a) and ISOP^(b) and in BGI Holdings under the BGI EOP^(c) (as indicated in the table below). No awards were made to Directors under these plans during 2006.

Chairman and executive Directors: awards under plans used in previous years^(g)

	Maximum number of shares under option at 1st January 2006	During 2006		Market price on exercise date £	Maximum number of shares under option at 31st December 2006	Weighted average exercise price of outstanding options £	Date from which exercisable	Latest expiry date	Target/vested number of shares at 31st December 2006 ^(d)	
		Exercised	Lapsed							
Chairman										
Matthew W Barrett										
ESOS ^(e)	766,628	–	–	–	766,628	4.43	06/09/02	03/10/09	766,628	
ISOP	2,832,000	2,000,000	–	7.11	832,000	4.45	18/05/03	11/03/11	832,000	
Executive Directors										
John Varley										
ISOP	2,060,000	–	–	–	2,060,000	4.45	18/05/03	22/03/14	920,000	
Robert E Diamond Jr										
ESOS	100,000	–	–	–	100,000	3.97	14/08/01	13/08/08	100,000	
ISOP	1,340,000	–	–	–	1,340,000	4.42	12/03/04	22/03/14	560,000	
BGI EOP	200,000	100,000	–	77.60	100,000	20.11	26/03/07	26/03/14	100,000	
Gary Hoffman										
ISOP	1,520,000	200,000	–	6.93	1,320,000	4.40	12/03/04	22/03/14	540,000	
Naguib Kheraj										
ESOS	60,000	–	–	–	60,000	3.97	14/08/01	13/08/08	60,000	
ISOP	1,360,000	–	–	–	1,360,000	4.40	12/03/04	22/03/14	520,000	
David Roberts										
ISOP	1,300,000	260,000	–	7.15	1,040,000	4.33	14/03/06	22/03/14	260,000	
Frits Seegers^(f)										
–	–	–	–	–	–	–	–	–	–	

Notes

(a) Under ESOS, options granted (at market value) to executives were exercisable only if the growth in Barclays earnings per share over the three-year period was at least equal to the percentage increase in the UK Retail Prices Index plus 6% over the same period. The performance condition for the 1999 ESOS grant was met.

(b) Under ISOP, executives were awarded options (at market value) over Barclays shares which are normally exercisable after three years. The number of shares over which options can be exercised depends upon performance against specific performance conditions. For ISOP awards granted in 2000 to 2003, the first 40,000 target shares under option for each award was subject to an EP performance condition, tested over a period of three years. Any amount above 40,000 target shares was subject to a relative TSR performance condition, to be tested initially over three years. Because the TSR performance condition was not met over three years in relation to the awards in 2003, the TSR condition was tested over a period of four years from the original start date. Awards in 2004 were subject to a relative TSR performance condition. For the 2003 and 2004 grants under ISOP, which become exercisable in 2007, Barclays was ranked sixth in the peer group under the TSR performance condition. This was sufficient for only 25% of the maximum number of shares under the TSR condition to vest. The remaining 75% will lapse.

(c) Robert E Diamond Jr received a grant under the BGI EOP in March 2004. He was not a Director of Barclays PLC at that time. The BGI EOP is an option plan, approved by shareholders in 2000 and offered predominantly to participants in the US. Under the BGI EOP, participants receive an option to purchase shares in Barclays Global Investors UK Holdings Limited. The exercise price is based on the fair value at the time of grant. The option normally vests in three equal tranches on the first, second, and third anniversary of the date of grant. Participants must, in accordance with the Articles of Association of Barclays Global Investors UK Holdings Limited, keep their shares for 355 days after the date of exercise, before they may be offered for sale. In line with market practice, the options were not subject to performance conditions. Robert E Diamond Jr is not eligible to receive further awards under the BGI EOP. The shares shown in respect of the BGI EOP in the above table are shares in Barclays Global Investors UK Holdings Limited.

(d) The number of shares shown for ISOP options represents the target award shares under option, or the actual number of shares under option if the award had vested as at 31st December 2006. The target number of shares takes account of the stretch in the performance condition and the probability of vesting.

(e) The independent trustee of the Barclays Group (PSP) Employees' Benefit Trust granted Matthew W Barrett a share award in 1999 comprising an option on similar terms to options granted under ESOS. For convenience these are described as granted under ESOS in the above table.

(f) Frits Seegers was appointed as an executive Director on 10th July 2006 and therefore no participation in the above plans has been offered to him.

(g) Nothing was paid by the participants on the grant of options.

Directors: interests in ordinary shares of Barclays PLC^(a)

	At 1st January 2006 ^(b)		At 31st December 2006	
	Beneficial	Non-beneficial	Beneficial	Non-beneficial
Chairman				
Matthew W Barrett	302,264	–	2,000	–
Executive Directors				
John Varley ^(c)	360,049	–	375,053	–
Robert E Diamond Jr ^(e)	1,512,575	–	2,531,582	–
Gary Hoffman ^(c)	172,702	–	319,186	–
Naguib Kheraj ^(d)	8,550	–	141,442	–
David Roberts ^(d)	78,191	–	225,577	–
Frits Seegers ^(f)	–	–	4,319	–
Non-executive Directors^(c)				
Marcus Agius ^(g)	–	–	15,000	–
Sir Richard Broadbent	6,068	–	8,092	–
Leigh Clifford	3,460	–	5,219	–
Fulvio Conti ^(h)	–	–	2,538	–
Dr Danie Cronjé ^(d)	2,000	–	3,547	–
Professor Dame Sandra Dawson	7,822	–	9,953	–
Sir Andrew Likierman	3,628	–	5,441	–
Sir Nigel Rudd	16,788	–	51,117	–
Stephen Russell	16,221	–	18,661	–
Sir John Sunderland	8,308	–	10,054	–

Notes

- (a) Beneficial interests in the table above represent shares held by Directors who were on the Board as at 31st December 2006, either directly or through a nominee, their spouse and children under 18. They include any interests held through Sharepurchase, but do not include any awards under ESAS, ISOP, PSP, ESOS and Sharesave. At 31st December 2006, Matthew W Barrett and the executive Directors, together with other senior executives, were potential beneficiaries in respect of a total of 165,645,889 Barclays PLC ordinary shares (1st January 2006: 147,145,847) held by the trustees of the Barclays EBTs. At 27th February 2007, a total of 181,139,684 shares were held by the trustees.
- (b) Or date appointed to the Board if later.
- (c) Between 31st December 2006 and 27th February 2007, John Varley and Gary Hoffman each purchased 33 Barclays shares through Sharepurchase. On 21st February 2007, the non-executive Directors acquired ordinary shares pursuant to arrangements under which part of each non-executive Director's fee is used to buy shares in Barclays. Barclays shares were acquired by each non-executive Director as follows: Marcus Agius – 427; Sir Richard Broadbent – 806; Leigh Clifford – 763; Fulvio Conti – 732; Dr Danie Cronjé – 767; Professor Dame Sandra Dawson – 856; Sir Andrew Likierman – 786; Sir Nigel Rudd – 940; Stephen Russell – 917; Sir John Sunderland – 748. Except as described in this note, there were no changes to the beneficial or non-beneficial interests of Directors in the period 31st December 2006 to 27th February 2007.
- (d) As at 1st January 2006, Naguib Kheraj, David Roberts and Dr Danie Cronjé held 1,200, 1,200, and 101,577 shares in Absa Group Limited respectively. As at 31st December 2006, Naguib Kheraj, David Roberts, Frits Seegers and Dr Danie Cronjé held 1,200, 1,200, 1,000 and 101,577 shares in Absa Group Limited, respectively. Dr Danie Cronjé also held 7,500 non-cumulative, non-redeemable preference shares in Absa Bank Limited as at 31st December 2006.
- (e) As at 1st January 2006 and 31st December 2006, Robert E Diamond Jr also held 100,000 and 200,000 'A' ordinary shares in Barclays Global Investors UK Holdings Limited respectively.
- (f) Appointed as an executive Director on 10th July 2006.
- (g) Appointed as a non-executive Director on 1st September 2006.
- (h) Appointed as a non-executive Director on 1st April 2006.