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**John Varley**  
Group Chief Executive

[www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# Barclays Sustainability Review 2008

In 2008, we focused on five strategic sustainability themes where we believe progress to be of greatest value to our business and stakeholders. This Review provides a summary of our progress. Our full report is online at [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport) Our reporting covers Barclays Group, including all of our Business Units and the markets in which we operate, and provides details of our strategic approach to sustainability.

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## Awards

MARKET SURVEY 2008

Environmental Finance

Best trading company for spot and futures in the EU Emissions Trading Scheme



Private SME Company turnaround award

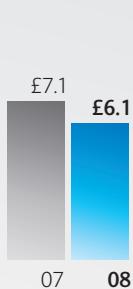


The Card Awards – Best CSR Programme for Barclaycard Breathe

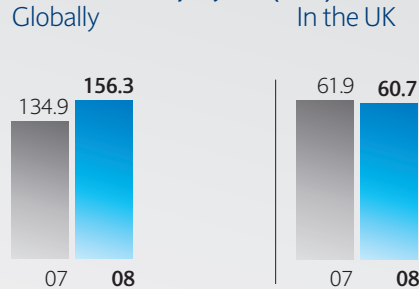
Our front cover image features in the 'Hello Money' case study on page 12

## 2008 Highlights

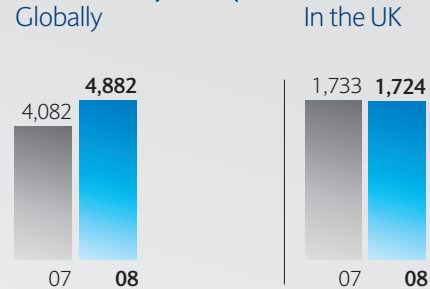
### Profit before tax (bn)



### Number of employees (000)



### Distribution points (branches and retail outlets)



## Sustainability

### Customers and clients

Our share of net new mortgage business in the UK in 2008 was 36% compared to 8% in 2007

36%

We increased lending to UK SMEs by 6% to £15bn

£15bn

### Inclusive banking

We have opened 1.77 million accounts across Barclays for low-income customers to date

1.77m

Absa is the market leader in South Africa for low-income customers with a market share of 33%

33%

### Environment

We were awarded joint 1st in the Carbon Disclosure Leadership Index 2008

1st

229 non-project finance transactions were assessed by the Environment Risk Management team

229

### Diversity and our people

25% of senior managers across our business globally are female

25%

More than 57,000 employees received direct support for fundraising, volunteering and giving in 31 countries

57,000+

### Responsible global citizenship

We invested £52.2m in our communities globally

£52.2m

80% of our key suppliers completed our sustainability screening questionnaire

80%

## Group Chief Executive's introduction

**This, our ninth annual report on sustainability, covers our performance against the objectives we set for 2008, which was an extraordinary year for the global banking industry, and for Barclays. The financial and economic uncertainty of 2008 was profound. At a time when it has never been more important for banks to focus on the things that support their sustainability agenda, we have never faced so many distractions from doing so.**

This time last year, I said sustainability was about building relationships and accepting responsibilities. That remains true, and 2008 turned the spotlight very brightly onto both areas.

As we look back at the events of the last eighteen months, it is important that the banking industry – Barclays included – acknowledges openly its share of responsibility for the current crisis. We have expressed regret for this publicly, to our customers and to our shareholders. How does this expression of shared responsibility fit into the context of sustainability?

Put at its simplest, sustainability for Barclays means playing our part in supporting the wellbeing of society. The wellbeing of society in the coming period will be fundamentally influenced by securing economic stability. We believe we can play an important role in the efforts to stabilise the economies in which we operate – particularly in the UK. So for example, in a year when credit was scarce, we increased lending to small and medium businesses in the UK by 6% and our market share of new mortgage lending rose from 8% to 36%.

I'm proud to say that in the toughest of years, when our people were under intense pressure, more of them found the time and energy to support the community causes they care about – more than 57,000 colleagues were involved in volunteering and fundraising (up from 44,000 in 2007).

Barclays presence in many communities across the world, as a profitable – and commercially sustainable – provider of financial services (and thereby economic vitality), and as a major employer, enables us to have a positive impact on those communities. Operating in many communities does create its own challenges, and we try to address these in this Review.

Let me turn to the structure of this Review. Our sustainability framework, which we put in place in 2008, focuses on five strategic themes which this Review is structured around.

For our **customers and clients**, we seek to work hard to meet their changing needs through development of relationships, innovation and enhanced service. Examples in 2008 included our increased lending in the UK and launching our debt repair line for customers facing financial difficulties in South Africa. To foster **inclusive banking**, we try to extend the reach of banking services in developing countries and reduce financial exclusion in developed markets. What sort of initiatives did this prompt in 2008? We ran financial capability seminars for market traders in Ghana and we committed to support the UK charity Business Debt Line for a further three years.

To protect the **environment**, we seek to minimise our direct impacts and monitor and manage our indirect impacts. In 2008, we made our UK and European operations carbon neutral by offsetting operational emissions and we reduced energy use per employee by 2.1%. We are on track to make our global banking operations carbon neutral by the end of 2009.

To improve **diversity**, we recruit employees from the widest possible talent pools and reward them on performance and ability. The key focus of our diversity and inclusion strategy is gender, and in 2008, we increased the proportion of women in senior management to 25%, up from 21% in 2007.

And finally as a **responsible global citizen**, we manage our indirect economic, ethical, social and environmental impacts, invest in local communities, and encourage our suppliers to be more sustainable.

Against each of these five themes, we describe in this report further examples of our work in 2008. We are attempting to give a candid account of our progress, including where we have more to do. Throughout this Review, and our more detailed online Sustainability Report which you can find at [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport), we show ways in which Barclays seeks to contribute to the societies and communities in which we work.

Looking forward, 2009 will be another tough year, but we will do all we can to justify the trust our customers and clients place in us every day when they choose to do business with Barclays.

The current circumstances are distracting, but they will pass. What will not change is our commitment to behaving responsibly, both in our core banking business and our wider sustainability agenda.



**John Varley**  
Group Chief Executive

“

I'm proud to say that in the toughest of years, when our people were under intense pressure, more of them found the time and energy to support the community causes they care about – more than 57,000 colleagues were involved in volunteering and fundraising.

”



## Barclays in 2008

Listed on the stock market in London and New York, Barclays is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services with an extensive international presence in Europe, the United States, Africa and Asia. With a strong long-term credit rating and over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs more than 156,000 people. Barclays moves, lends, invests and protects money for 48 million customers and clients worldwide.

### Group corporate governance framework



## Global Retail and Commercial Banking

### UK Retail Banking

One of the largest retail banks in the UK with over 1,700 branches, 15 million personal customers and 660,000 small business customers

Profit before tax

£1,369m

Number of customers

15.2m

### Barclays Commercial Bank

Serves over 81,000 business clients through a network of relationship and industry sector specialists

Profit before tax

£1,266m

Number of customers

81,200

### Barclaycard

Launched the first credit card in the UK in 1966. It now has 23 million customers in the UK, across Europe and the United States

Profit before tax

£789m

Number of customers

23.3m

### GRCB Western Europe

Serves two million retail, premier, card, SME and corporate customers in Spain, Portugal, France and Italy through nearly 1,200 distribution points

Profit before tax

£257m

Number of customers

2.1m

### GRCB Emerging Markets

A rapidly growing part of the business – opening over 280 distribution points in 2008 and providing full banking services to over four million customers across Africa, the Middle East and Asia

Profit before tax

£134m

Number of customers

4.2m

## Diversified operations

Total number of employees  
156,300



### Governance

Sustainability is one of the foundation stones of Barclays strategy and is managed within a framework of internal control, governance and risk-management processes. The Group Executive Committee is responsible for Barclays sustainability strategy. The Group Chief Executive has primary responsibility for the implementation of our strategy throughout Barclays, supported by the Group Executive Committee.

The Brand and Reputation Committee's role is to identify and manage issues that could have a significant impact on Barclays reputation. They met throughout 2008 to discuss reputational issues such as the situation in Zimbabwe, payment protection insurance and the effect of the economic downturn on businesses throughout the world.

We have a Treating Customers Fairly (TCF) forum which monitors progress on embedding TCF principles across all retail and wholesale businesses globally.

## Investment Banking and Investment Management

### GRCB Absa

One of South Africa's largest financial services groups with over 1,100 distribution points and over 10 million retail customers – offering a complete range of banking, bancassurance and wealth management products

Profit before tax

£552m

Number of customers

10.5m

### Barclays Capital

Barclays investment banking division, with the global reach, advisory services and distribution power to meet the needs of clients worldwide, holding top three positions in US capital markets and globally in commodities, foreign exchange, fund-linked derivatives, interest rate trading and investment

Profit before tax

£1,302m

Number of clients generating more than £1m of income

1,000+

### Barclays Global Investors

One of the world's largest asset managers with US\$1.5trn assets under management and the global product leader in exchange traded funds

Profit before tax

£595m

Assets under management

US\$1.5trn

### Barclays Wealth

Serves clients worldwide, providing international and private banking, fiduciary services, investment management and brokerage. It is the UK's leading wealth manager by client assets and has offices across the Americas following the acquisition of Lehman Brothers Private Investment Management

Profit before tax

£671m

Client assets

£145bn

## Year in review

The events of 2008 reshaped the global financial services industry. As the timeline below shows, the past year has been one of unprecedented volatility and change, characterised by developments in the financial services sector, the speed and scope of which confounded all expectations.

Trust and confidence in the banking industry fell sharply during the year. Share prices fell dramatically, established banks were forced into the hands of rivals and some were nationalised. Barclays was not immune to the extraordinarily challenging economic conditions brought about by the credit crunch. We raised capital to meet the new regulatory requirements introduced across the industry. The need to do this quickly and with certainty caused us to raise capital in a way that was not fully pre-emptive. Although we judged at the time that the external environment necessitated this course of action, and continue to believe with the benefit of hindsight that this was the right judgement, we recognise that in choosing this course, we upset many shareholders and we deeply regret that fact.

### The changing global financial landscape

Around the world, governments and banks began introducing new measures to restore stability; regulators enforced stricter capital requirements and interest rates fell. A number of financial institutions faced severe difficulties and the global investment banking industry was transformed. The UK government nationalised Bradford & Bingley and Northern Rock, took large shareholdings in two major banks, and steps were taken to increase protection of customer deposits.

### Maintaining strategic momentum

Despite the year's exceptional challenges, Barclays remained profitable and independent – one of the few big banks to do so worldwide – and our income rose to £23.1 bn. While performances across the Group varied, every one of our businesses was profitable in 2008.

## Barclays review

Jan – Feb

Mar – Apr

May – Jun

Jul – Aug

Sep – Oct

**£5m**

Barclays Commercial Bank invests £5m into a pioneering social investment fund managed by Catalyst Fund Management

Barclays announces 2007 profits before tax of £7.1bn

Barclays purchases UK credit card business Discover Financial Services, including the Goldfish brand

Barclays agrees to swap mortgage debts for government bonds with the Bank of England

Barclays agrees to buy Russian bank Expobank for approximately US\$745m

Barclays publishes its 2007 Sustainability Review. The review marked an important shift from corporate responsibility to sustainability. The report focused on Barclays: a sustainable bank and a responsible global citizen

Barclays open offer raised £4.5bn of capital. The capital raising attracted new shareholders Qatar Investment Authority and Sumitomo Mitsui Banking Corporation

Absa, majority owned by Barclays, launches CashSend, the first cardless ATM service in Africa

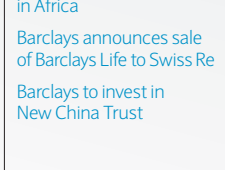
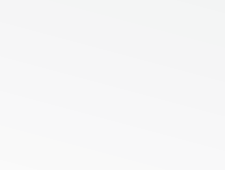
Barclays announces sale of Barclays Life to Swiss Re

Barclays to invest in New China Trust

Barclays ranks joint first in the Carbon Disclosure Leadership Index

Former US President Bill Clinton announces a £10m Barclays-led partnership to tackle financial exclusion at the annual Clinton Global Initiative meeting in New York

Barclays agrees to acquire PT Bank Akita in Indonesia



## World review

Jan – Feb

Mar – Apr

May – Jun

Jul – Aug

Sep – Oct

**9 Jan:** UBS writes off more than US\$18bn in their 2007 results

**5 Feb:** US stock market indices fall more than 3% after a report shows signs of economic recession in the service sector

**17 Feb:** UK government passes legislation to nationalise Northern Rock, previously the 5th largest UK mortgage bank

**19 Feb:** Fidel Castro steps down as President of Cuba after 49 years

**15 Mar:** HBOS raises £750m of new capital

**16 Mar:** JP Morgan announces acquisition of Bear Stearns

**13 Apr:** The World Bank announces a new deal on global food policy after record price rises spark civil unrest in many countries

**22 Apr:** The Royal Bank of Scotland announces a £1.2bn rights issue

**14 May:** Bradford & Bingley announces launch of rights issue to raise £300m in capital

**9 June:** Lehman Brothers announced plans to raise US\$6bn through a stock offering as share price continues to slide

**27 June:** President Robert Mugabe is re-elected with 85.5% of the vote in the second round of the Zimbabwean presidential election

**7 Jul:** The G8 summit is held in Tōyako, Hokkaidō, Japan

**27 Jul:** Oil prices hit record high of US\$147 per barrel

**8 Aug:** Opening ceremony of the summer Olympics in Beijing, China

**2 Sep:** Prime Minister Samak Sundaravej of Thailand declares a state of emergency in Bangkok

**7 Sep:** US government takes over control of mortgage companies Fannie Mae and Freddie Mac

**12 Sep:** Zimbabwe – Robert Mugabe and Morgan Tsvangirai reach power-sharing deal

**15 Sep:** Lehman Brothers files for bankruptcy

**15 Sep:** Merrill Lynch sold to Bank of America for US\$50bn



## Our strategy in 2008

Our strategy in 2008 was to continue to achieve good growth through time by diversifying our business base and increasing our presence in markets and segments that are growing rapidly. We are a universal bank, spanning retail, commercial and investment banking. The universal banking model's strength lies in diversification – by geography, business, and product.

During 2008, we made selective strategic acquisitions including Lehman Brothers North American businesses, the UK Goldfish credit card business, Expobank in Russia, the Italian residential mortgage business of Macquarie Bank Limited and PT Bank Akita in Indonesia.

## The role of banks in the global economy

By helping businesses and households take appropriate risk, banks play an important part in a productive economy and a healthy society. Whether that's the risk of starting a new business or borrowing for university education, the role of banks is to support entrepreneurship, which is a fundamental ingredient of sustainable economic growth.

Banks have to get those judgements right: supporting *appropriate* risk taking means ensuring that we lend only to those who can afford to repay. It's very clear that, as an industry, banks have misjudged this subject over the last years, helping cause the debt-fuelled financial economy to get badly out of touch with the real economy. The financial services industry needs to be transparent about its contribution to these problems; to accept its share of responsibility; and to apologise. The industry's principal means of making amends will be twofold: first, to work closely with the authorities to help

shape the initiatives aimed at confronting and resolving the current crisis and safeguarding the world from anything like it recurring. Barclays is actively involved in these discussions with governments and authorities around the world. The second contribution we can make is by continuing to lend responsibly, as customers and clients seek to cope with the economic downturn.

## Responsible global citizenship

We see being a responsible global citizen as our obligation to manage our wider social, environmental and economic impacts. In 2008, we continued to support human rights, invest in the well-being and development of the communities where we operate, and manage the indirect social and environmental impacts of our lending. In the environmental sphere, we stayed on track to meet our goal of globally carbon neutral banking operations by the end of 2009. We remained committed to our community investment programme, maintaining the level of investment at £52.2m in 2008.

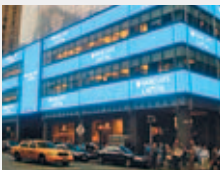
**“Our priorities in 2008 were (and remain): to stay close to our customers and clients; to manage our risks; and to progress strategy.”**

Group Chief Executive, John Varley

## Nov – Dec

Barclays raise £700m capital through institutional investors

Barclays agrees to acquire Lehman Brothers North American investment banking and capital markets operations and supporting infrastructure



After the UK government places new capital requirements on all UK banks Barclays announces it will raise more than £7bn through the offer of securities to existing and new strategic and institutional shareholders



Barclays begins extensive consultation with the UK authorities on finding ways to increase lending to consumers and small and medium businesses whilst also maintaining high levels of capital

Over 22,500 employees in 27 countries took part in Make A Difference Day volunteering campaign



Barclays launches a £5m three-year global community investment partnership with UNICEF, the leading children's organisation



The Board announces it will offer itself for re-election at the Barclays Annual General Meeting in April 2009 and Barclays executive directors waive eligibility for cash bonuses for the 2008 financial year

Barclays proposal to raise more than £7bn of new capital is approved by shareholders at a General Meeting in London; Chairman Marcus Agius expresses regret for the experience shareholders have had over the past 12 months

**£1.5bn**

Barclays announces it will make a further £1.5bn available for lending to SMEs in the UK over 2009

**US\$85bn**

**16 Sep:** Federal Reserve makes US\$85bn injection into insurance company AIG

**17 Sep:** Lloyds TSB announces merger with HBOS

**19 Sep:** FSA announces ban on short-selling of shares in 29 leading UK financial companies

**21 Sep:** Goldman Sachs and Morgan Stanley decide to convert to bank holding companies

**25 Sep:** World leaders convened by the UN General Assembly to renew commitments to achieving the Millennium Development Goals by 2015

**25 Sep:** US savings bank Washington Mutual files for bankruptcy

**28 Sep:** European bank Fortis is partially nationalised

**29 Sep:** The UK government nationalises Bradford & Bingley with its retail deposit book and branches sold to Santander

**2 Oct:** US Congress approves the Troubled Assets Relief Programme to acquire US banks' toxic assets

**3 Oct:** Wells Fargo announces acquisition of Wachovia

**6 Oct:** Iceland assumes state control of its banks

**7 Oct:** International Monetary Fund estimates financial crisis losses worldwide of US\$1.4trn and fears they will grow higher

**12 Oct:** UK government offers up to £50bn to recapitalise British banks in return for equity stakes

**14 Oct:** US government takes stakes in nine top financial institutions in the US

**19 Oct:** UK Treasury announces a package to support the banking industry, including making at least £200bn available to banks under the Special Liquidity Scheme

## Nov – Dec

**5 Nov:** Barack Obama is elected as the 44th President of the United States

**9 Nov:** China announces US\$586bn economic stimulus plan

**26 Nov:** UK Climate Change Act gains Royal Assent

**26 Nov:** Terrorist attacks in Mumbai, India kill 195 and injure more than 250



The corporate sustainability agenda has expanded rapidly over the past decade, reflecting companies' increasing focus on the wider context of their business, and stakeholders' growing interest in companies' social, environmental and economic impacts.

There is now a greater awareness of long-term global challenges such as climate change, poverty, scarce resources and demographic shifts. Such challenges affect Barclays clients and customers and shape our competitive landscape. They require effective responses, from governments, from businesses, and from the not for profit sector.

In 2007, Barclays broadened its focus from corporate responsibility towards a wider sustainability programme, which we continued through 2008. What sustainability means for Barclays is: accurately identifying and actively managing economic, social and environmental issues across all our businesses; and thereby being able as a Group to contribute to the development of a socio-economic environment that creates sustainable wealth and a better future.

## Engaging our stakeholders


Sustainability covers a wide range of subjects and issues. Our approach is to manage and report progress on the topics of most significance to our business and our stakeholders.

Barclays has engaged with stakeholders on this subject in a number of ways including:

- Research initiatives and partnerships
- Dialogue with governments, non-governmental organisations (NGOs), customers, consumer groups, investors and journalists across our markets globally
- An internal sustainability strategy focus group attended by a cross section of colleagues representing our businesses
- An external prioritisation media review conducted by Deloitte LLP to map the significant sustainability issues of our stakeholders in 2008 (see 'Identifying material sustainability issues in 2008' below).

Our stakeholders' insight and feedback on our sustainability programme helps shape its future direction and encourages us to be open and transparent about the issues they are concerned about.

This Review summarises our activities and priorities on what we see as the most material issues, while our online Report provides additional information, case studies, key performance indicators and the Global Reporting Initiative framework.

 **Share your views**  
Please let us know your views on this Review, or any issue it raises, by email to: [sustainability@barclays.com](mailto:sustainability@barclays.com)

## Identifying material sustainability issues in 2008

We define information as 'material' when it is of significant interest to – and has the potential to influence in this context – stakeholders' decisions and judgements about Barclays commitment to economic, social and environmental progress.

The diagram on the right was developed through research conducted by Deloitte at the end of 2008. The approach was designed to surface a reasonable level of detail about our sustainability issues and stakeholder attitudes. The 12 issues identified were selected based on Deloitte's determination of the universe of issues of likely relevance to Barclays and the global banking sector. The focus of this work was on understanding the issues from stakeholders' perspectives as reported in the media. These issues were all of greater interest and importance to some stakeholder groups than others.

### Relative materiality

The significance of the issues depicted is a relative measure as compared to the analysis as a whole. For example, while all the issues are important, across the entirety of the search results, employee welfare received less prominent coverage than customer and client support or financial crime.

Subsequently, Deloitte facilitated an internal workshop at Barclays to determine the key issues of strategic importance to Barclays. The combination of the external prioritisation review and the internal strategic workshop helped determine the specific issues we have focused on in our reporting in 2008.

Issues identified	Relative materiality in 2008
Responsible products and services	●
Customer and client support	●
Social, ethical and environmental impact of investments	●
Climate change	●
Human rights	●
Financial crime	●
Corporate governance and shareholder activism	●
Financial inclusion and microfinance	○
Employee welfare	○
Community investment	○
Compliance and policy formulation	○
Economic impact	○

- Higher relevance
- Medium relevance
- Lower relevance



## Our business strategy

Barclays is diversified by business line (retail banking, commercial banking, cards, investment banking, investment management and wealth), as well as geography (Europe, the United States, Africa and Asia). We have a clear strategic aim: to achieve good growth over time by diversifying our business and increasing our presence in faster-growing markets and segments.

To achieve this aim, we have four core strategic priorities, which are to:

- Build the best bank in the UK
- Accelerate the growth of global businesses
- Develop retail and commercial banking in selected countries outside the UK
- Enhance operational excellence.

These priorities are underpinned by our obligation to conduct our global business ethically with full regard to wider economic, social and environmental considerations.

Barclays corporate sustainability programme supports and furthers our diversification strategy, making it an integral part of how we do business. To measure our success in integrating sustainability into our business, we have addressed the broad sustainability agenda through five strategic themes described below. These themes resonate in our businesses, provide a platform for action and give us a clear purpose and direction. Implementation is driven by actionable goals and robust performance measurement.

## Measuring progress

We measure and monitor progress by tracking – internally and externally – delivery against each of our five themes. We have introduced a new framework for regular progress reports to the Group Executive Committee and the Board; this provides consistent tracking of our progress by sustainability theme and Business Unit.

Barclays participates in a number of indices, forums and initiatives that help to measure progress. They include:



**CARBON DISCLOSURE PROJECT**

## Our strategic sustainability themes



### Customers and clients

Ensuring our products and services meet the needs of customers and clients through developing innovative solutions to enhance performance, relationships and satisfaction



See page 10

### Inclusive banking

Extending the reach of banking services in developing markets and reducing financial exclusion in developed markets



See page 12

### Environment

Managing direct and indirect environmental impacts, including Barclays energy, water, and waste footprints and our financing activities. Addressing the risks and opportunities associated with climate change



See page 14

### Diversity and our people

Attracting employees from the widest possible talent pools and developing and retaining colleagues on the basis of performance and ability



See page 17

### Responsible global citizenship

Managing Barclays indirect economic, ethical, social and environmental impacts, encouraging our supply chain to be more sustainable, and investing in local communities where we do business



See page 18

# Customers and clients

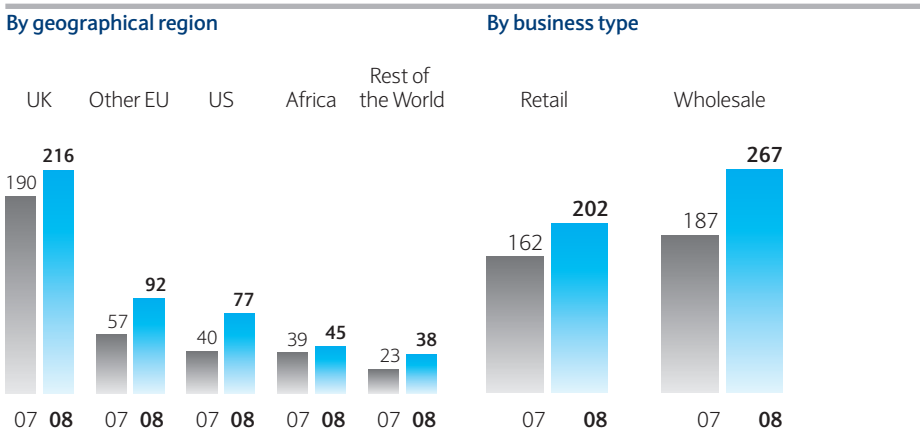


We have a long history of serving our customers and clients through economic cycles over the past 300 years, and we will do everything we can to continue serving them well.



**John Varley**  
Group Chief Executive

## Total loans and advances to customers 2007–2008 (£bn)



Barclays recognises that its customers and clients have a choice about where they bank. To encourage customers and clients to continue to choose Barclays, we maintain regular contact and visits to understand their changing needs. We gain new insights from an enhanced programme of customer research in all our markets. Our priority is to meet the needs of customers and we measure satisfaction with both our products and day-to-day service. This research helps us accelerate customer-focused innovation in product design and service delivery, which in turn drives our global performance.



As the global economic downturn deepened throughout 2008, credit became more scarce, adversely affecting individuals and businesses seeking funds. The departure of foreign banks and niche players from many markets, and the higher cost of wholesale borrowing, reduced the flow of liquidity. Consequently, borrowers had fewer options when seeking credit.

Barclays is a large player in many of the markets we operate in and not immune to the effects of the difficult economic environment, undertaking two significant capital raisings during 2008 and taking credit market write-downs of approximately £8bn. However, we were able to absorb the level of credit-market write-downs through our strong income performance and report profit before tax of over £6bn.

We maintained the supply of credit to customer and client groups. The growth in our total loans and advances between 2007 and 2008 to our retail and wholesale customers, and by geographical area, is illustrated in the charts above.

For 2009, we will not be immune from the sustained stress but our strong capital position and focus on our customers and clients will enable us to continue to provide appropriate products, services and advice through these difficult circumstances.

### Supporting individuals

Our 156,000 colleagues remained focused on servicing the needs of our customers and clients. For example, our share of net new mortgage business in the UK in 2008 was 36% compared to 8% in 2007.

We seek to be conservative in our lending. We took proactive steps to protect the quality of our loan books, ensuring that those taking on new debt could manage it effectively. Additionally, we offered existing customers access to financial and debt management advice. We conducted over 800 savings seminars for customers throughout the year.

We created a Customer Review Team to seek to identify UK retail customers facing financial problems and provide proactive support. This team considers each customer's situation and recommends steps to help them maintain control of their finances.

In 2008, our financial planners provided a financial healthcheck to more than 250,000 customers. In addition, Barclaycard announced a series of initiatives to give three million UK cardholders additional support, including interest rate reductions.

In South Africa, Absa was the first bank to launch a debt repair line for customers facing financial difficulties.

### Mortgage markets

Barclays conservative lending approach, our arrears management processes, and our policy of keeping customers in their homes wherever possible, meant we had low levels of arrears and repossessions in 2008. We look to lend at the lower end of the credit risk spectrum. As a result, in the UK in 2008:

- We were involved in less than 400 of the 40,000 repossessions in the UK
- Our average loan to value for residential mortgages in 2008 was 40%.

### Credit card borrowing

Our credit card business promoted and followed responsible lending practices. Barclaycard played a leading role in the UK industry's move to give our three million UK cardholder customers at least 30 days' notice of any increase in their credit card interest rate if it is being changed as a result of risk-based repricing, and to offer them the option to close their credit card account and repay the balance at the existing interest rate within a reasonable period.

### Supporting businesses

Commercial organisations faced similar challenges to individual customers – particularly access to credit. We increased our lending balances to small and medium sized enterprises (SMEs – businesses with a turnover under £20m) in the UK by 6% during 2008 to a total of £1.5bn, with a commitment to make at least a further 10% (£1.5bn) available to SMEs in 2009. We were the first UK bank to take part in the new European Investment Bank credit supply scheme, with an agreement worth £300m in place to assist small and medium businesses. Barclays has also been a leading supporter of the Enterprise Finance Guarantee, which has been developed with the UK government to provide finance to eligible companies.

We assisted SMEs in emerging markets through initiatives such as Absa's network of Enterprise Development Centres in South Africa. Absa's loans and advances to customers increased to £32.7bn in 2008, up from £29.9bn in 2007.

We launched a free web-based service called CreditFocus to help all UK small businesses – whether they are Barclays customers or not – to assess their own customers' creditworthiness.

### Working with larger businesses

In 2008, our careful approach to risk and diversification in the lending portfolio meant we had less exposure than some other banks to the riskiest market segments. Barclays Commercial Bank increased loans and advances by 6% to £67.5bn (2007: £63.7bn). 2008 also saw significant investment in Barclays Business Support (BBS), the team that is dedicated to helping customers in financial difficulty. BBS works closely with the customer to provide help and – where appropriate – funding. Of those cases that BBS supported, 76% were successfully returned to a stable financial position.

Barclays Capital was one of the few investment banks to increase penetration and client business across asset classes, as we remained focused on client needs at a time when many competitors were withdrawing or retrenching. Our corporate lending portfolio increased by 19%, primarily as a result of new loan facilities extended to financial and manufacturing institutions.

### Investment products for sustainability

We launched several new index funds with environmental and social objectives for both institutional and retail investors. These include iShares Global Clean Energy ETF that allows investors to track 30 global companies. In Western Europe, we launched the Alphastar ISR fund which invests in companies ranked as 'best in class' on Environmental, Social and Governance criteria.

### Improving customer service

Across all our businesses, we invest in developing new products and services. These efforts start with monitoring and tracking the quality and consistency of our customers' experience of us and of our products across all our markets, through feedback mechanisms including surveys, focus groups and quantitative analysis.

In UK Retail Banking, our customer satisfaction score increased to 67% from 64% in 2007. We look to embed this customer feedback from product design, advertising and sales, through to how we service accounts and how customers contact us. For example, nine out of ten retail customers in the UK told us they want their banking to be clearer and more straightforward. So we simplified our UK current account range and savings range. We launched Personal Reserve, an industry-first that helps customers deal with unexpected expenses. Where a customer exceeds or does not have an overdraft limit, Personal Reserve lets them continue to make payments up to their Reserve amount for a fixed fee.

### Developing innovative products and services

In 2008, examples of innovation included banking through mobile phones in India.

We launched the Al-Safi Alternative Investment platform, which represents a major innovation in Islamic finance as it offers a Shariah format for both conventional equity strategies and the potential to gain from falling prices. Prior to the creation of Al-Safi there was no comparable solution in the market. We also launched several new investment propositions, including products such as a new commodity investment index to help investors diversify their portfolios during market volatility.

Barclays Global Investors continues to focus on innovations in areas where we see strong opportunities to help clients. For example, defined contribution pension plans need to offer greater diversification and provide more certainty around income solutions. Recognising this, we developed a product called SponsorMatch to provide defined contribution participants with lifetime income in retirement.

Barclays Wealth's 'investment philosophy' is an example of how we are increasing our understanding of client needs. We undertake a full assessment of the client's personal tolerance for risk and attitudes to investing and financial decision making. This guides us in both the composition and delivery of targeted solutions, tailored to each client's individual requirements.

### 2008 challenges

For our customers and clients:


- Cash flow and late payments
- Availability of credit – personal (mortgages) and commercial (working capital)
- Falling interest rates adversely affecting savers

### 2008 response and progress

- Our share of net new mortgage business in the UK in 2008 was 36% compared to 8% in 2007
- Increased flow of credit to UK businesses. Lending to UK small businesses increased 6% to £1.5bn and end-of-period loans and advances to larger commercial organisations increased by 6% to £67.5bn (2007: £63.7bn)
- Provided support to small businesses in the UK and South Africa
- Significant investment in Barclays Business Support team, helping business customers in financial difficulty return to good financial health
- Launched CreditFocus, an online service enabling UK small businesses – whether Barclays customers or not – to better manage their risks by offering a credit check service that they can carry out with their own customers

### Direction in 2009

- Commitment to lend an additional 10% (£1.5bn) to small and medium businesses in the UK
- Maintain our approach to lend responsibly. We look to adopt a risk pricing approach and treat individual, commercial and corporate customers on a case-by-case basis
- Maintain engagement with governments and other stakeholders to develop support packages for vulnerable businesses
- Continue to act on customer and client feedback to develop appropriate products and services

 For more information on supporting customers and clients in 2008, visit our full Sustainability Report: [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# Inclusive banking

Around three billion people in emerging economies survive on less than US\$2 a day, while millions more in developed countries live in relative poverty. Access to the financial system can help these people improve their lives. Working with them is a key focus for us as we seek to build financial inclusion and understanding.

For Barclays, inclusive banking means helping those who are excluded from the financial system to join and benefit from it. Financially excluded and unbanked people range from poor individuals in the developing world to small businesses struggling to borrow money in developed countries. Financial inclusion involves providing financial products tailored to people's needs and empowering them to use these products to build a better and more sustainable future.



## Our strategy

An individual's journey from financial exclusion to inclusion may involve several stages, each requiring differing types of support and services from various organisations (see diagram on page 13). Our aim is to support people who are excluded from banking at every stage of this journey, working to improve their access to financial products and services to enhance their own and their families' well-being.

Our inclusive banking strategy focuses on three main themes:

- Developing the supply of inclusive financial products
- Building demand among individuals that can make productive use of them
- Forging partnerships with organisations who share our commitment.

## Developing supply of products

To widen financial inclusion, we need to supply the right products and services to the right customers in the right way.

We have developed and launched new products and channels to reach customers more effectively – ranging from basic current accounts in the UK to technology-enabled services such as mobile banking in India.

We have launched various low-cost basic bank accounts. In our African markets, these accounts have an average minimum opening balance of just £4 and now reach over 590,000 active customers, representing 27% of our local customer accounts across Botswana, Ghana, Kenya, Mauritius, Tanzania, Uganda, Zambia and Zimbabwe. In the UK, our basic bank account is used by over 730,000 customers, more than 38,000 of whom live in the most deprived areas of the UK.

## Hello Money



New internet and mobile technologies represent an increasingly important tool for inclusive banking, especially in emerging economies. In March 2008, Barclays launched 'Hello Money' in India, a groundbreaking service that allows customers to carry out banking transactions easily and securely over their mobile phones. Hello Money is already transforming access to financial services for people in India's rural areas. As the penetration of mobile phone services in rural India increases, Hello Money's positive impact on financial inclusion will grow.

In 2008, Absa continued to pioneer the financing of South Africa's microenterprises, with a rollout of a network of 22 microenterprise service centres which now employ 200 colleagues and reaches more than 10,000 clients – over 80% of whom are unbanked.

## Building demand and capability

Improving financial inclusion requires making accessible low-income products available and also helping unbanked people to use them effectively. This is why we work to improve financial capability through education, information and advice.

We find in the many areas where we do business that the most vulnerable people in society are often those with the most restricted access to financial services – so they are a key focus in our efforts to build financial inclusion and understanding.

## Supporting small business

In 2008, we continued to provide financial advice and counselling to smaller enterprises in countries including Uganda and India, as well as running financial capability sessions in Ghana for market traders and susu collectors (who are a 9,000-strong workforce, part of a 300-year old system of money guards).

In the UK, we supported a series of seminars with a further three-year commitment and a £217,000 investment to the national charity Business Debtline, a telephone-based debt advisory service for businesses facing financial difficulty. We also helped our UK small business customers navigate through tough conditions during 2008 by increasing our lending to them when other sources of lending were being cut back.

## Financial inclusion journey

### Charitable organisations

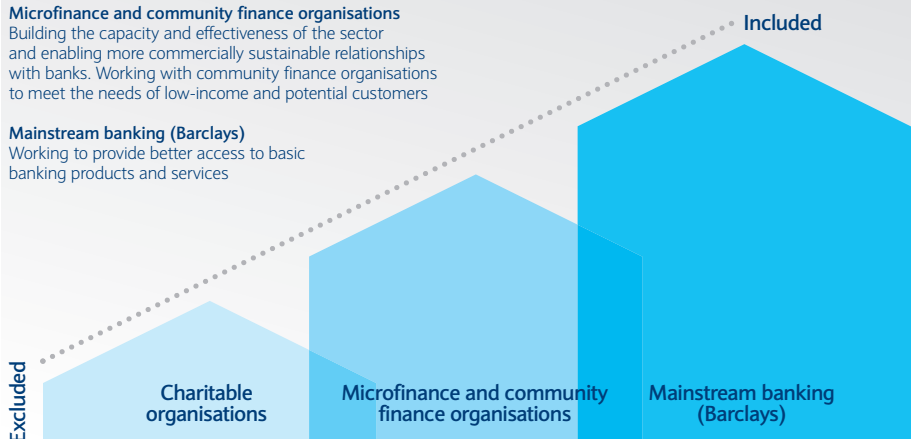
Working with charities to reduce exclusion and support financial education and advice

### Microfinance and community finance organisations

Building the capacity and effectiveness of the sector and enabling more commercially sustainable relationships with banks. Working with community finance organisations to meet the needs of low-income and potential customers

### Mainstream banking (Barclays)

Working to provide better access to basic banking products and services



### Using technology in South Africa

In South Africa, Absa's AllPay and Sekulula services help government welfare beneficiaries gain inclusion into the financial system. Sekulula debit card account holders increased from 707,000 in September 2007 to over 742,000 by January 2009. These products enable previously unbanked or excluded people to receive social benefits. AllPay's core business, the mobile payment of social grants using advanced technology and biometric fingerprint verification, is inextricably linked to the plight of South Africa's most needy and vulnerable citizens.

### Kutumb Savings Account in India

In India, we launched the Kutumb Savings Account in May 2008, a new offering which allows customers to extend their banking relationship to their families. In 2008, we had 347 Kutumb Savings Account relationships, allowing customers to include domestic help as account holders and bringing many formerly unbanked people into the banking sector.

### Working with charities

The Passage, a UK charity which works to help homeless people, and Unlock, a charity working with reformed offenders are among a number of charities we work with to help vulnerable groups to become financially included. Barclaycard extended its commitment to the Horizons programme by three years and £4.2m, bringing the total investment to £7.3m over seven years. Horizons helps lone parents achieve a better future for themselves and their children by giving them the skills to manage money, further their education and get back into work.

### Financial education through theatre

In 2008, we expanded the financial education component of our microbanking programme in Ghana by launching a partnership with 'Theatre for Change', which uses interactive theatre to educate market traders and their families on basic financial issues.

### Partnerships

Our established banking infrastructure and organisational model helps us to meet the needs of our existing customers. However, it can sometimes be difficult for us to reach people outside the banking system. We build partnerships with others, such as microfinance organisations, charities, technical providers and governments, who have the existing relationships, skills and commitment to help us reach out to the unbanked.

In October 2008, building upon existing relationships with two global NGOs – CARE International and Plan International – and consultants Accenture – to help 800,000 poor people access village savings and loans in ten emerging countries. And in several countries – including the UK and South Africa – we have partnerships with microfinance institutions, credit unions and community development finance institutions in joint programmes to tackle financial exclusion. In the UK, our financial contribution to community finance and charitable partnerships to enable better access to basic products and services totalled £2.94m since 2004.

## 2008 challenges

- In most developing countries, less than half the population has a bank account with a financial institution
- Over 2m adults are currently unbanked in the UK and an estimated 8m are using high-cost lenders

## 2008 response and progress

- Dedicated accounts for people on low incomes in Africa reached over 590,000 customers, representing an estimated 27% of our local current and savings accounts
- Launch of the 'No frills' account in India, which attracted almost 4,000 customers
- Absa now has more than 10 million customers and is the market leader in South Africa for low-income customers – earning less than R3,000 (£200) a month – with a market share of 33%
- We continued to support better access to financial products and services in the UK through our entry-level Cash Card Account, for which we now have more than 730,000 customers

## Direction in 2009

- Increase the number of active accounts targeted at low-income and new-to-banking customers
- Expand our support to unbanked and excluded communities by providing improved access to community-based financial services in the UK and our emerging markets
- Increase our offering to the unbanked and expand our mobile banking product to cover more countries in our emerging markets and Absa

### Working with the UK Financial Inclusion Taskforce

Barclays commitment to promoting financial inclusion is underlined by our involvement in several UK government initiatives including the 'Now Let's Talk Money' campaign and the Financial Inclusion Champion. In addition Deanna Oppenheimer, our UK Retail Bank Chief Executive, sits on the government's independent Financial Inclusion Taskforce.

### United Nations Advisors Group on Inclusive Financial Sectors

From 2006 to 2008, Barclays contributed to the UN Advisors Group on Inclusive Financial Sectors, established to increase the access of poor and low-income households and micro and small entrepreneurs to a broad range of financial products and services on a sustainable basis.



For our full Sustainability Report visit:  
[www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# Environment

Climate change is one of the biggest challenges facing the world today. In 2008, world leaders started to negotiate an international agreement on greenhouse gas cuts. It is now widely believed that some degree of climate change is inevitable, and therefore governments and businesses, including Barclays, are very focused on adaptation.

Global energy use  
per employee

Carbon emissions  
(CO<sub>2</sub>) per employee

-2%  
from 2007

4.19  
tonnes of  
CO<sub>2</sub>/employee

At Barclays, we recognise that we have an impact on the environment both directly through our own operations, and indirectly through our supply chain and corporate lending. We monitor and manage both sets of impacts.



The majority of the environmental issues associated with our business are indirect. These impacts arise through business relationships, including those with our supply chain and those with our clients through our financing activities. In each case, we aim to minimise the associated risks and capture commercial opportunities.

## Barclays Climate Action Programme

In 2008, we continued to drive our climate change strategy forward through the Barclays Climate Action Programme. This aims to:

- Reduce our CO<sub>2</sub> emissions by improving energy efficiency
- Purchase low-carbon and renewable energy for our operations
- Make our global banking operations carbon neutral by the end of 2009, by offsetting our remaining CO<sub>2</sub> emissions
- Work with our suppliers to help them reduce their CO<sub>2</sub> emissions
- Develop products and services that help customers reduce their impact on climate change
- Engage with key stakeholders and contribute to the debate on climate change action.

Barclays has an Environmental Management System (EMS) which provides the framework for managing our impact. Since 2002, our Group

EMS has been certified under ISO 14001, an international standard. Throughout that period, Business Units across Barclays have developed their systems and, in some cases, gained their own ISO certification. In 2008, Barclays Capital UK received ISO 14001 certification, joining Barclaycard UK, Absa, and Barclays operations in France, Spain and Portugal.

## Managing our operational impact

Across Barclays we continued to manage and reduce energy consumption in our existing sites in 2008. We developed a sustainable property policy that will see all major development projects around the world graded for environmental impact by an independent assessor.

## Examples of energy saving initiatives in 2008

- Barclays Wealth consolidated the number of data centres and communications rooms from 56 sites to 11, delivering significant energy savings
- In Global Retail and Commercial Banking the continuation of an energy saving programme produced savings equating to 13GWh of energy and £750,000. Remote technology was installed in 240 branches to reduce gas, electricity and water usage by a target of 25%
- Barclays Capital installed a 30% more efficient cooling system in their 40 Bank Street office in London, UK.

## Green Leaders in Business



During 2008, we hosted the Green Leaders in Business Awards in London. These awards recognised 12 national finalists for their innovative contribution to a sustainable economy. The winner, in the below £1m turnover category, was Moixa Energy which offers a portable, rechargeable battery that reduces waste and landfill while increasing awareness of sustainability.

Above image: Steve Cooper, Managing Director of Local Business, presents award to winner, Moixa Energy

We made progress in 2008 in buying more of our electricity from renewable sources – including for offices and branches in the UK, France and Barclaycard US. The benefits of buying renewable energy were much debated in 2008. The UK government changed its guidelines on how companies should account for renewable energy when calculating carbon footprints. In addition, in the UK, electricity companies are required to source a specific and increasing percentage of the electricity they supply from renewable sources. This means that when companies buy renewable electricity through a green tariff, they are not actually increasing the amount of renewable generation capacity and therefore have no impact on national CO<sub>2</sub> emissions. The change highlighted the challenge for companies in adapting to evolving climate change policy. Barclays is currently reviewing its energy purchasing strategy.

### Offsetting CO<sub>2</sub> emissions

As well as reducing emissions from our global operations, we have committed to becoming carbon neutral by offsetting the remaining emissions from our banking operations by the end of 2009. One of the challenges in achieving our commitment is collecting accurate emissions information for a diverse building portfolio, particularly in some of our emerging markets. We have taken a phased approach to becoming carbon neutral. We have been offsetting emissions from our UK operations since 2006 and all European emissions since 2007. To date, we have purchased 416,000 tonnes of carbon credits including both Certified Emissions Reductions (CERs) and Verified Emissions Reductions (VERs). In 2009, we will purchase carbon credits to match our 2008 emissions from global banking operations. The cost of the carbon credits is allocated to Barclays Business Units on the basis of their CO<sub>2</sub> emissions. This creates an additional financial incentive to invest in energy efficiency.

## SolarAid



©Photograph by Andy Bodycombe.

Barclays is funding a four-year £1.3m programme with a not-for-profit organisation, SolarAid, to make small-scale solar power accessible to rural communities in Kenya. Solar power can help address several critical challenges facing Africa, contributing towards better education, health, safety and livelihoods by providing energy to light buildings and power radios and mobile phones.

### Commercial opportunities

Developing products that help our customers make the transition to a more environmentally sustainable economy is consistent with our plans for future growth.

We apply this philosophy to capture environmental opportunities across different Business Units and regions. This involves responding to our customers' demand for innovative products and services that enable them to capitalise on opportunities and mitigate environmental risks.

We are one of the largest project finance participants in the renewable energy market. In the economic downturn we have maintained our commitment to the renewable energy sector, with several project finance transactions successfully completed during the year.

Barclays Capital is currently the largest liquidity provider in the carbon market, having traded more than 1 bn tonnes of credits with a total notional value of over £20bn to date.

We hold investment stakes in innovative companies working to address and manage climate change. These include a 15% stake in Mainstream Renewable Power, which builds and operates renewable energy plants worldwide.

### Sustainable development in Africa

In Africa, environmental issues are intertwined with a number of social and economic challenges that raise formidable barriers to sustainable development.

To overcome these barriers, Barclays works with different organisations in Africa on projects delivering integrated social, economic and environmental benefits. These collaborative initiatives aim to improve people's incomes and communities, while simultaneously helping to tackle climate change and environmental degradation.

## 2008 challenges

- Implementing strategies and initiatives to achieve environmental goals despite pressure on capital requirements
- Uncertainty on global climate change policies

## 2008 response and progress

- Barclays Group Operating Committee adopted responsibility for environmental management
- Launched several environmental products and completed renewable energy project finance transactions
- UK and European operations became carbon neutral by offsetting their operational emissions
- Barclays ranked joint first in the Carbon Disclosure Leadership Index
- For detail on our global environmental impact see page 23

## Direction in 2009

- In 2008, Barclays set environmental targets that apply to global operations. Performance will be measured from 2009 to 2011 (against a 2008 baseline)
- In each of the following areas, the target is a reduction of 6% per employee, achieving an average 2% reduction per year:
  - CO<sub>2</sub> emissions
  - Energy use in buildings (excluding data centres)
  - Water use
- We will review our governance and action plans to meet the above targets, recognising that there is pressure on capital for investment in infrastructure
- We have committed to becoming carbon neutral by offsetting the remaining emissions from our global banking operations

**“I believe Barclays can lead the financial sector in producing products and services that allow increasing numbers of people to choose to invest in environmental products, which in turn, will drive the reduction in carbon emissions.”**

Group Chairman, Marcus Agius

For more information on our products and services with environmental objectives, visit our full Sustainability Report: [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# Environmental and social risk

Our Environmental Risk Management (ERM) team develops and communicates policies and guidance for our lending managers globally, to ensure indirect environmental and social risks are identified and mitigated. We apply our Environmental and Social Impact Assessment Policy (ESIA) to those projects that we are considering financing.

The ESIA policy is aligned with the Equator Principles, a set of social and environmental criteria adopted by many international banks for project finance transactions. In 2008, we assessed 31 projects against the Equator Principles (see Project finance deals table below). This number has decreased from 54 in 2007 to 31 due to the economic downturn, although the projects that have been considered and supported have had a lower risk profile and have less significant changes being made due to environmental and social factors. The number of projects supported in Africa is an exception due to the strength of Absa's business activity. The ESIA policy is one component of our environmental risk management processes which we apply. Barclays has developed environmental and social risk guidance notes on the risks (and opportunities) involved in developing business relationships with

customers operating in environmentally and socially sensitive commercial sectors. In 2008, 229 non-project finance transactions were assessed by the ERM team (see Lending by industry sector in 2008 table below).

## Transformational impact

In their first five years, the Equator Principles have transformed the way financial institutions work with project finance clients. Today, 64 financial institutions throughout the world apply the Equator Principles.

Most importantly, the Equator Principles have promoted consistency in environmental and social standards and terminology among lenders, clients and legal and technical advisors.

## Barclays and the Equator Principles

As Chair bank of the Equator Principles for 2007-2008, Barclays has continued to lead the development of the principles, including reaching out to banks in emerging economies. During 2008, we became Chair of the Equator Principles' climate change working group, providing the International Finance Corporation with feedback on its emerging climate strategy.

## Managing climate risks

In specific situations, climate change can theoretically influence our core credit risk assessments, including operational, market and regulatory aspects of a clients' business. However, it remains very difficult for the banking sector to reach an accurate assessment of climate change's material quantifiable impacts over given timescales and different locations.

So, we are working with a range of organisations to research the emerging climate change risk landscape globally, and increase our expertise in evaluating how climate change factors can create financial and business risks.

Building on our work on climate adaptation for the London Accord, we worked throughout 2008 with the UK Department for International Development taskforce on exploring options to improve the capacity of vulnerable communities in emerging economies to adapt to climate impacts.

We take future carbon costs into account in our lending decisions. For example, lending to the power generation sector in the US incorporates an assumed cost of carbon in our financial modelling where practicable. We apply this scenario modelling to general corporate lending in addition to project finance transactions in the sector.

## Project finance deals

	Equator Principle risk category			Total 2008	Total 2007
	Category A Higher risk	Category B Medium risk	Category C Lower risk		
<b>Project finance deals</b>	<b>3</b>	<b>7</b>	<b>21</b>	<b>31</b>	54
Deals completed or pending	2	6	21	29	45
– of which, environmental and social changes were made	2	4	4	10	45
Deals considered, but not participated in	1	1	–	2	9
<b>Geographical breakdown</b>					
EU	–	3	18	21	38
Africa	3	2	3	8	7
Asia Pacific	–	–	–	–	5
North America	–	2	–	2	4

## Lending by industry sector in 2008

Sector	Contributions to Group loans and advances	Environmentally sensitive sub-sector	Project Finance <sup>a</sup> deals	Non-project finance deals referred to ERM team	Total
Agriculture, forestry, fishing	0.7%	Agriculture and Fisheries Forestry	–	– 7	– 7
Manufacturing	5.6%	Manufacturing Chemicals, pharmaceuticals manufacturing and bulk storage Mining and Metals	–	12 9 59	12 9 64
Utilities	3.0%	Power generation – of which non-fossil fuels Oil and gas Utilities and waste management Infrastructure (including dams and pipelines)	21 18 2 1	72 59 30 11	93 77 32 12
Business and other services	8.1%	Service Industry	1	20 9	21 10
<b>Total</b>	<b>17.4%</b>		<b>31</b>	<b>229</b>	<b>260</b>

### Note

<sup>a</sup> Project finance as defined by Basel II

## Promoting sustainable finance in China



Protecting the environment is an increasingly important priority for banks operating in emerging markets across the world – and not least among Chinese banks, which have now started to adopt the Equator Principles. Barclays is playing a leading role in promoting sustainable finance in the country. Through our strategic partnership with the China Development Bank (CDB), we are communicating our experience and best practice in this crucial area to China's banks. Significant steps forward in 2008 included briefings given by our ERM team to CDB and to the wider Chinese financial sector at an event hosted by the China Banking Regulatory Commission.



# Diversity and our people

Having a diverse and inclusive workforce makes good business sense. Our commitment to Diversity and Inclusion (D&I) is deep and long-standing. Barclays aims to provide a safe working environment in which employees are encouraged to develop and rewarded on the basis of individual performance.

## Focus areas for our D&I programme

Our D&I programme in our workforce covers six key areas:

- **Gender** The key strand of our D&I strategy, focusing on employing more women in senior positions. In 2008, 25% of our senior managers were women, up from 20% in 2007
- **Sexual orientation** Ensuring people are treated fairly whatever their sexual orientation. In 2008, we were placed 15th of 317 entries in the Stonewall employee benchmarking survey
- **Race and cultural awareness** We strive to create a productive environment where everyone has an equal chance to succeed
- **Disability** Recognising and valuing the contribution of our disabled colleagues. In 2008, 2% of our employees in the UK declared they had a disability. Our aim is to create an environment in which all employees can develop to their full potential
- **Age** We seek to create a workplace for everyone to realise their potential, whatever their age
- **Religion and belief** We are a member of the Employers' Forum on Belief, a group of employers who come together to establish and share good practice on religion and belief in the workplace.

## Six attributes, one consistent approach

Across all these aspects, our commitment to equality is underpinned by a consistent approach and set of values.

## Managing our people

Barclays aims to provide a safe working environment in which employees are treated fairly and with respect, encouraged to develop, and rewarded on the basis of individual performance. We are committed to ensuring equality to all employees on the basis of merit. Discrimination, bullying or harassment is not tolerated.

## Global governance

To maintain the right balance between overall control and effective local decision making, we have established governance frameworks covering health and safety, performance and development, reward, resourcing, people screening, employee agreements, discipline capability and grievance and exit management. These frameworks are overseen by the Group Operational Committee, and monitored by the Group Human Resources Risk Committee.

## Employee relations

Barclays recognises and engages constructively with over 30 employee representative organisations throughout the world. In many locations and businesses we have collective bargaining arrangements in place covering various aspects of employment. Employee consultations on significant operational changes are carried out in accordance with local legislation. In April 2008, we agreed and launched a revised constitution of the Barclays Group African Consultation Forum. The Forum meets annually with the aim of working constructively with our 55,000 colleagues across Africa, while the joint steering committee meets quarterly.

In June 2008, we reaffirmed our commitment to our globalisation agreement with the trade union Unite. This provides an early notification of initiatives, and a commitment to explore possibilities for redeployment, as well as outplacement support and training.

## Our employee opinion surveys

Businesses across Barclays conduct employee opinion surveys on different cycles to suit the specific needs of each area of the business. We benchmark the findings against other global financial services organisations and high performing organisations, and create action plans to address any areas of concern.

During 2008, Global Retail and Commercial Banking and Group Centre carried out an employee opinion survey to which 91% of employees responded. In UK Retail Banking, Barclaycard and Barclays Commercial Bank, our employee engagement scores were above the global financial services norm, and slightly below the norm among global high performing organisations. Across Global Retail and Commercial Banking and Group Centre as a whole, our employee engagement scores improved by two percentage points, but remained below the comparative norms.

## Remuneration

The extent to which remuneration structures played a role in contributing to the financial crisis continued to be debated and under scrutiny as this Review was written. The Board HR and Remuneration Committee commenced a review of remuneration during 2008. The objective of the review was to assess how our pay-for-performance culture and alignment with shareholders' interests could be strengthened further. The agenda rapidly developed into two workstreams: immediate decisions for 2008 and the long-term shape of remuneration at Barclays.

The variable pay for the Group reduced 48% relative to 2007 and our Executive Directors waived

their eligibility for a cash bonus for 2008 despite our profitability.

The remuneration review is continuing and will inform any detailed remuneration plans and proposals which are developed during 2009. The challenge for the industry is to use this period to develop robust remuneration structures that balance commercial enterprise with risk in the interests of all stakeholders.

## 2008 challenges

- To maintain high levels of employee performance and engagement during unprecedented market conditions
- To improve the number of women working at Barclays at all levels which includes targeting cultural issues as well as improving representation at senior levels

## 2008 response and progress

- Over 57,000 employees received direct support for fundraising, volunteering and giving
- GRCB and Group Centre carried out an employee opinion survey to which 91% of employees responded

## Direction in 2009

- Improve tracking of key diversity and inclusion measures and accountability systems
- Take steps to increase the representation of women at senior grades
- The remuneration review will continue and detailed remuneration plans and proposals will be developed after discussion with our shareholders

 For more information including training and development and occupational health and safety, visit our full Report: [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# Responsible global citizenship

We acknowledge and accept our obligations as a global citizen. This means managing our business and supply chain to improve our social, economic and environmental impact, and doing business ethically.

Key suppliers who completed our sustainability screening questionnaire

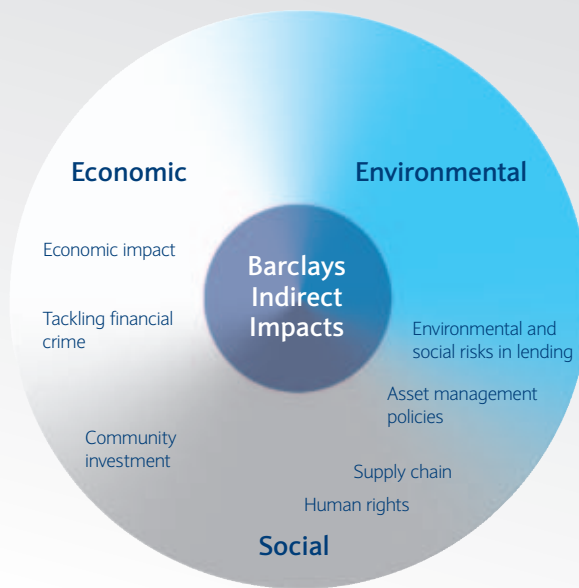
Invested in our communities in 2008

■ Completed 80%  
■ Not completed 20%

£52.2m



## Indirect impacts



Responsible global citizenship means taking responsibility for how we manage our wider economic, social and environmental impact in society – thereby managing our risks more effectively and opening up new opportunities.



In 2008, we listened to our stakeholders and determined the indirect impacts of importance to them and our business which included: human rights, asset management, our economic impact, supply chain management, community investment and managing financial crime.

### Human rights and Barclays

Human rights are basic rights for individuals that form the foundation for freedom, justice and peace, and which apply equally and universally in all countries irrespective of legal framework. As a global business, Barclays recognises its clear responsibility to support governments and civil society groups in respecting and upholding human rights principles everywhere we operate.

### Our governance

In June 2008, we refined our Statement on Human Rights (developed in 2004). The Group Brand and Reputation Committee is responsible for monitoring and managing our human rights requirements and expectations, and ensuring we uphold the principles of our human rights statement. Our approach to human rights is governed through three areas of impact – as an employer, as a provider of financial services to customers and clients, and as a purchaser of goods and services from suppliers. The statement will allow Barclays to take a consistent, comprehensive and recognisable Group-wide approach to upholding human rights, enabling us to:

- Provide employees with guidance on our responsibilities
- Contribute towards compliance with human rights legislation and standards

- Support Barclays objective to be a leading company in terms of sustainability
- Demonstrate to key stakeholders that we look to manage our human rights impacts, risks and opportunities effectively.

We aim to operate in accordance with the:

- Universal Declaration of Human Rights
- OECD Guidelines for Multinational Enterprises
- International Labour Organisation's Core Conventions.

### Working with member organisations

Barclays is developing the business and human rights agenda through our membership of two organisations – the Business Leaders' Initiative on Human Rights, which we co-founded in 2003, and the United Nations Environment Programme Finance Initiative, for which we co-chair the Human Rights Workstream and engage with other businesses and with government.

### Human rights training

We extended the guidance provided to our employees on human rights in 2008 to include access to an online tool for front-line lending managers, which assists in identifying and mitigating human rights risks.

Our human rights initiatives inform our risk-management policies and processes – particularly in providing guidance to our credit managers on human rights risks associated with business lending, and in strengthening the screening process we apply in our supply chain.

## Asset management

Barclays Global Investors (BGI) is one of the world's largest asset managers and a leading global provider of investment management products and services. BGI transformed the investment industry by creating the first index strategy in 1971 and the first quantitative active strategy in 1979. We believe environmental, social, and governance (ESG) issues are often relevant to the performance and sustainability of companies.

We continue to research these issues and as we find investment opportunities and insights related to these matters, we include them in our investment process. We recognise that markets and economies are dynamic and diverse, and therefore, we have developed innovative products and research, and expanded global client services to meet the changing needs of our investors.

BGI offers clients a variety of products with different investment strategies, including Active, Index, and 'Model Driven' strategies.

### Active funds

In our Active investment strategies, BGI evaluates ESG issues in the same context as any other investment idea or insight. As scientific investors, our insights are based on rigorous research and analysis. New ideas or emerging indicators, such as ESG issues, are assessed from within the firm and from external sources, including academic literature and industry information. These ideas are ultimately employed if their use is in the best economic interests of the fund performance, which is consistent with our overall investment strategy.

### Index funds

Index and 'Model Driven' strategies are generally based on matching or exceeding the performance of indices prepared by third-party data providers that may include certain ESG screens. By definition, index fund providers do not research individual publicly-traded companies and then decide whether to invest in their shares. Instead, they typically select a well known index from a third party provider such as the Standard & Poor's 500 and then invest in this index, which automatically includes the stocks within it. We have and will continue to offer clients products with Index strategies that may include ESG screens developed by independent third party data providers.

In 2008, we launched several new index funds based on environmental or social indices for both institutional and retail investors. For example, the iShares S&P Global Clean Energy ETF is based on an index developed by Standard & Poor's to track 30 global companies in clean energy production and clean energy technology and equipment.

### Voting policy

Our role as a fiduciary is to act in the best economic interests of our clients. These responsibilities focus mainly on the protection of the fund's assets, as elaborated by legislation and market best practice. Our fiduciary responsibilities shape our actions when voting proxies and, where appropriate and to the extent permitted under the laws of the relevant jurisdiction, engaging with companies. We tailor our voting and engagement approaches to follow local market best practices.

Our voting policies are based on relevant country-level legislation (for example Sarbanes-Oxley in the US), domestic and international corporate governance codes (such as the UK Combined Code, or OECD principles on corporate governance) and market best practice (such as UK Institutional Shareholder Committee principles and Association of British Insurers guidelines). We strive to vote all our holdings (where it is in the best economic interests of our clients). Voting decisions are made in a careful and considered manner after taking into account internal and external research and, where appropriate, communicating directly with senior management and/or dissident shareholders of the relevant company. We report all our voting activity to our clients. We also report our voting on behalf of mutual funds and exchange traded funds publicly via our website.

### Engagement on ESG issues

Examples of BGI's recent ESG-focused activities include:

- Attending the UN Investor Summit on Climate Change, to engage with other institutions on the effects of climate change on portfolio companies and the markets generally
- As a member of the Aspen Institute's Corporate Values Strategy Group, focusing on ways to combat short-termism in the capital markets.

BGI continues to engage with various organisations and stakeholders on investment trends around ESG issues. These stakeholders include clients, non-governmental organisations, data providers, rating agencies, and peer forums.

## Human rights



Barclays is working with United Nations agencies on the global human rights agenda. We co-sponsored an international seminar on business and human rights in 2008. Barclays is a member of the Business Leaders Initiative on Human Rights which will launch a comprehensive guide to business and human rights in 2009, developed in collaboration with the UN Global Compact and the UN Office of the High Commissioner for Human Rights.

## Asset management



Barclays Global Investors engages with companies on social and environmental issues, where appropriate and consistent with our engagement and voting guidelines, through a variety of channels: meeting with senior management or the independent directors of a company to better understand the issue, and in continental Europe, engaging with other market participants, as appropriate. We also work with providers of specialised research and services on environmental and social issues, such as Innovest.

### Active and Indexing Asset Management

Active Management refers to a portfolio management strategy where a manager makes specific investments with the goal of outperforming an investment benchmark index. Indexing is an investment management approach based on investing in exactly the same (or very similar) securities, in the same proportions as an index.

# Responsible global citizenship (continued)

## Assessing our economic impact

Banks play a pivotal role in economic value creation in society. For Barclays, responsible global citizenship includes responsible globalisation – contributing to economic value and well-being in our local communities worldwide. This in turn helps to generate further business and opportunities for Barclays.

In every country where we do business, Barclays has an economic impact that affects individuals and their communities. Assessing this impact comes down to one simple question: what is different or better about the local economy as a result of our presence or activities there?

In 2008, we set out to answer this question. Historically, major companies including Barclays have focused their sustainability efforts on their environmental and social impact. But we have expanded our sustainability agenda by starting to research and measure our economic impact in each of the countries in which we operate. Our economic impact is both direct, through activities such as employing people and paying taxes locally, and indirect, such as through our lending and investment. The table on the right shows our contribution in taxes paid globally, either directly by us or on behalf of employees arising from our economic activities.

## Our 2009 economic impact programme

We are at a relatively early stage in developing our economic impact assessment. It is clear that we need to improve our insight and our management. But we do believe we are breaking new ground for the banking industry globally.

Measuring and tracking our indirect economic impact is more complicated than assessing our direct impact. Our indirect economic impact reflects the multiplier effects on the local economy of our business activities and financial transactions, and of the flow of money between Barclays and our stakeholders. These effects fall into three categories:

- Traditional banking (lending/savings and payment services)
- Direct investment and investment intermediation activity
- Provision of products and services to facilitate or enable trade and risk management.

## Overview of 2008 global economic impact

– Customers	48m
– Country presence	55
– Employees	156,300
– Tax paid globally	£5.7bn
– Amount spent on salaries and wages	£7.8bn
– Total pension contributions	£327m
– Dividends paid	£2.2bn
– Total consumer lending	£395.5bn
– Community investments	£52.2m
– Distribution outlets (branches and retail sales centres)	4,882

## Supply chain

As well as managing our direct social, ethical and environmental impacts, we work closely with our suppliers to help them manage their own impacts and ensure they share our commitment to sustainability.

Our Group-wide sourcing process includes criteria for measuring and assessing our suppliers' sustainability. During the tendering process for relevant categories, we require the supplier to provide data on the product or service's environmental and social footprint.

Tenders for supplies deemed to have a potentially high sustainability impact or risk, such as print or corporate wear, require suppliers to complete our sustainable supply chain questionnaire on their sustainability policies and management processes.

## Direct engagement

During 2008, we continued to engage directly with our suppliers on sustainability, both as part of our ongoing supplier relationships and to address specific issues such as reducing their carbon emissions. For example, in South Africa we worked with one of our suppliers, Striata, on providing e-statements, resulting in estimated savings of 50,000 tonnes of carbon emissions.

## Supply chain



In 2008, Group Chief Executive John Varley initiated a review of sustainability in our supply chain to ensure we meet or exceed global best practice. The review includes assessing our current tools and processes worldwide, and developing new initiatives in conjunction with our suppliers to make our supply chain more sustainable. These efforts have led to a joined-up approach across Barclays, and we will continue to look for solutions that will yield significant long-term benefits.

**“Despite the difficult current economic conditions, it is vital that business continues to invest in communities. Helping to develop and empower individuals and communities is vitally important: it is fundamental to stimulating global economic growth at the same time. Aligning our community investment programme to our core business maximises their impact, delivers social benefits on the ground, and develops future markets for our business.”**

Group Chairman, Marcus Agius

## Community



In November 2008, Barclays and UNICEF launched Building young futures – our global partnership to help young people around the world. We have committed £5m over the next three years, to provide young people in some of the world's poorest countries with access to education, training, life skills and microfinance that will empower them to achieve a brighter future.

### Community investment

Investing in communities is an integral part of Barclays sustainability strategy. During 2008, we maintained our levels of investment despite the challenging conditions. We invested £52.2m and more than 57,000 colleagues in 31 countries were involved in volunteering, fundraising and regular giving.

Barclays is committed to maintaining investment in our communities throughout the global downturn. Community investment is a long-term commitment to delivering value to the communities where we operate.

The programme continues to globalise reflecting our business presence. In 2008, we increased our spend outside the UK by 81% from £13.5m to £24.5m.

Beyond donations our partnerships strive to maximise the contribution we make. We see corporate philanthropy moving towards a blended value investments approach, combining social and economic development with long-term business opportunities where we can inject skills and expertise as well as money. Donations make a difference, but training and skills last longer. We want to help people take control of their lives by giving them the tools to develop a sustainable economic future.

One example of this is our partnership with UNICEF, which is a key programme within our Banking on brighter futures programme. The partnership makes the most of the core

competencies of our two organisations. We encourage our colleagues to give their time and skills through volunteering and fundraising activities. 2008 was another record year for the number of colleagues receiving direct support from Barclays, up from 43,714 to 57,361. More than 22,000 colleagues volunteered in the CSV Make a Difference Day campaign, which now extends to 27 countries worldwide.

### Managing financial crime

Each Business Unit within Barclays develops its own capability to tackle financial crime, providing regular reporting on performance, incidents and the latest trends. This integrated model allows us to:

- Develop a clear profile of financial crime risk across the Group
- Share intelligence, adopt common standards and respond promptly to emerging issues
- Drive forward law enforcement and other government initiatives
- Benchmark ourselves against other financial institutions.

The Group operates a fraud risk control framework that measures our overall fraud risk exposure and controls. Together with our Group-wide policies and reporting, this framework directs how we manage fraud.

The Group Financial Crime Management team (GFCM) delivers the overall Group Fraud Strategy by providing oversight to Group and Business Units in the management of fraud risk. The Group Fraud Strategy is designed to:

- Contain existing risks through effective and robust measurement, monitoring and anti-fraud systems as our business grows
- Identify emerging threats to ensure that effective fraud controls and increased capability to manage risk are embedded across Barclays
- Identify and manage fraud incidents, ensuring regulatory and legal conformance, appropriate escalation, and that control issues are addressed to prevent further loss
- Share information about fraud trends, intelligence and knowledge across the Group and between government bodies, law enforcement, financial institutions and other stakeholders.

Barclays overall reported fraud losses increased in 2008, in line with our peers. Industry and 'in-house' initiatives – including improving online security and Chip and PIN cards – have continued to reduce exposure.

Barclays is a member of the Wolfsberg Group, an association of 11 global banks aiming to develop financial services industry standards and related products around Know Your Customer, Anti-Money Laundering and Counter-Terrorist Financing.

### 2008 challenges

- To provide clients with innovative products and services to help them balance their environment, social and investment objectives
- Identifying and managing sustainability risks in a large and geographically diverse supply chain
- To encourage employees to maintain focus on our community investment programme during the economic downturn

### 2008 response and progress

- 80% of our key suppliers completed our sustainability screening questionnaire
- Barclays invested £52.2m in community projects around the world
- More than 57,000 employees were involved in volunteering and fundraising in 31 countries
- Continued the globalisation of our Community Investment programme, increasing non-UK funding to 47% of our total community investment

### Direction in 2009

#### Human rights

- Launch a guide to business and human rights, in collaboration with the UN Global Compact and the UN Office of the High Commissioner for Human Rights
- Develop an online human rights training module for Barclays employees, providing general information on human rights and their relevance to our business

#### Economic impact

- During 2009, we will continue the work begun in 2008, to create a more comprehensive picture of our economic impact in each country. We intend to report on our progress next year

#### Supply chain

- Establish a sustainable supply chain steering group to review current practice and improve processes, tools and training for sourcing operations globally

#### Community Investment

- Increase non-UK funding to 50%
- Assign 50% of Community Investment funds to Banking on brighter futures
- Complete the roll out of our UNICEF partnership in 13 countries and launch employee fundraising initiative to support additional education project in Rwanda that was chosen through an employee vote (fundraising target £150,000)



For our full Sustainability Report visit:  
[www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport)

# External assurance

## Introduction

We commissioned Corporate Citizenship to undertake assurance of our 2008 sustainability reporting and SGS to verify our global carbon emissions data. We recognise our assurance process can be improved and are committed to making it more robust in 2009. This will include verification of our Key Performance Indicators and supporting data systems. Our Future assurance will be undertaken by an independent, third party service provider in accordance with the AA1000 sustainability assurance standard.

## Scope

Barclays has commissioned Corporate Citizenship to provide independent external assurance of its full Sustainability Report 2008, published online. Barclays management has prepared the Report and is responsible for its contents. Our objectives were to review the contents and presentation, to conduct selected checks to underlying records and other evidence, and to provide our assurance statement for which we have sole responsibility.

We have based our work on the international assurance standard AA1000, notably considering materiality, completeness and responsiveness. We have also had regard to the reporting principles judged essential by the GRI sustainability reporting guidelines.

This commentary highlights our principal findings. Our complete assurance statement including details of the assurance processes we followed is available at [www.barclays.com/sustainabilityreport](http://www.barclays.com/sustainabilityreport).

## Assurance conclusion

In our assurance statement, we express our opinion that the online Sustainability Report 2008 provides a fair and balanced representation of the material aspects of Barclays performance for the 2008 reporting period. Where we believe significant gaps in performance data and stakeholder views on material issues exist, we identify them in our detailed commentary.

## Improvements since the 2007 report

Following our recommendations from last year, we note that the 2008 Report includes:

- Greater coverage of the international business
- A discussion of economic impacts in certain countries
- A stronger suite of key performance indicators
- More detail on material issues, structured around the five sustainability themes of greatest relevance to the business and its stakeholders.

As a result, Barclays is able to show more clearly how its commitments to sustainability fit with the business strategy and provide a deeper and broader account of its impacts during 2008.

## Areas to consider for future improvements

We have identified five main areas where future reporting can be strengthened and accountability increased, in response to stakeholders' expectations for a report that is both material and complete. In summary, these are:

- A full account of relations with **governments and regulators**, a topic we have previously highlighted whose importance continues to grow: this covers detailed disclosure on issues such as engagement in public policy debates, approaches to lobbying, breaches of compliance, and taxation policy, payments in different jurisdictions and effective tax rates.
- A fuller and more balanced discussion of the sustainability issues arising in the different **Business Units and countries** where Barclays operates. In particular, more coverage should be given to the social and environmental impacts of Commercial Banking, Investment Banking and Investment Management which generate significant profits for the company and have their own unique sustainability impacts.

- More detail on **stakeholders' views** about performance and reporting: this includes the results of surveys on employee attitudes and customer satisfaction, structured engagement around reporting and material issues, and responses to adverse comment and criticisms. Such an assessment will highlight topics where stakeholders' expectations for greater disclosure or better performance are not being met – from our assessment these may include aspects of employee diversity, remuneration, restructuring, procurement and community investment.
- A clear account of the **future commitments** Barclays has set for its journey to being a responsible and sustainable business, covering the complete range of topics of concern to stakeholders. The company should identify specific targets that set out measurable improvements in performance over specified time periods. The report should detail the internal governance mechanisms that give effect to these commitments across the worldwide business.
- A discussion of the contribution the bank can make to **global objectives** such as sustainable economic growth and the Millennium Development Goals: this should extend beyond Barclays own operations and procurement to the distinct role it plays indirectly in relation to customers.

## Understanding the wider context

The report on the 2008 year is published at a time of unprecedented challenges in the financial services sector. When our assurance was conducted, stability had not yet returned, issues such as capitalisation and impairment remained in the spotlight and the full impact on the global economic downturn remained uncertain.

Barclays has summarised its view of the crisis and the responses it has made to date both to regulators and in support of customers. From our assurance perspective, we believe that when reading the report stakeholders need to understand this fast changing wider context and the fundamental business issues, including the risks that sudden loss of trust can entail. Accordingly the sustainability report should be read in conjunction with the full Barclays Annual Report 2008.

By focusing on material issues and presenting a complete picture in this way, Barclays will, we believe, strengthen trust and confidence in itself and extend understanding of the financial services sector as a whole.

## Corporate Citizenship

20 April 2009

[www.corporate-citizenship.com](http://www.corporate-citizenship.com)



## Verification of 2008 carbon emissions



Barclays PLC has assessed its 2008 CO<sub>2</sub> emissions relating to global operations. Emissions arise due to energy consumed by Barclays operated offices and buildings and due to defined business travel. SGS United Kingdom Ltd independently verified 63% of emissions to a reasonable level of assurance and the remaining 37% to a limited level of assurance. For this verification, SGS has offered a reasonable level of assurance where 100% complete, or near 100% complete data sets have been presented and verified by selected sampling and testing. SGS has offered a limited level of assurance on that portion of the data set where substantially less than 100% complete and verifiable information has been presented, and a relatively high proportion of the resulting emissions have been obtained using calculated extrapolation techniques.

# Performance data

## Customers and clients

	2008	2007
Number of customers	48m	39m
Mortgages: net new lending market share	36%	8%
Barclays Commercial Bank loans and advances	£67.5bn	£63.7bn
Barclays Global Investors net new assets	US\$99bn	US\$86bn
UK Retail Banking customer satisfaction score	67%	64%

## Inclusive banking

Number of low-income bank accounts across UKRB, Absa and GRCB Emerging Markets	1.77m	not reported
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## Environment

Number of non-project finance deals assessed for environmental and social risk	229	346
Number of employees trained in environmental and social risk in lending	181	164
Total CO <sub>2</sub> emissions – tonnes	678,746	565,752 <sup>a b c</sup>
Total CO <sub>2</sub> emissions per employee – tonnes/FTE	4.19	4.15 <sup>d</sup>
Total CO <sub>2</sub> intensity – tonnes/£m earnings (EBITDA)	29.36	24.60
Energy use per employee (excluding data centres) – KWh/FTE	5,719	5,845 <sup>d</sup>
Water use per employee (UK only) – M <sup>3</sup> /FTE	14.07	12.05 <sup>d</sup>

## Diversity and our people

Full-time employees	156,300	134,900
Percentage of female senior managers	25%	21%
Percentage of employees working part time	9%	12%
Turnover rate	21%	18%
Number of employee volunteers	37,023	25,880

## Responsible global citizenship

### Economic impact

Economic profit	£1,760m	£2,290m
Active members of Barclays Bank UK Retirement Fund	58,316	53,473

### Community investment

Total community investment	£52.2m	£52.4m
Employees receiving support for fundraising, volunteering and giving	57,361	43,718
Total amount raised by employees through matched fundraising	£14.6m	£12.8m

### Supply chain

Percentage of key suppliers that have completed our sustainability screening questionnaire	80%	not reported
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#### Notes

FTE = Full Time Employee

<sup>a</sup> Emissions do not take into account operations associated with Lehman's North American businesses

<sup>b</sup> Renewable energy purchase in 2007 and 2008 is calculated at a grid average emission factor

<sup>c</sup> 2008 emissions include 14,439 tonnes of travel data which was not previously reported

<sup>d</sup> Employee figures take into account contractors and temporary workers



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