

**Barclays Bank plc
Annual General Meeting – 24 APRIL 2014
Statement by Standard Life Investments
Limited¹**

Mr Chairman, ladies and gentlemen

My name is Alison Kennedy and I am a Governance & Stewardship Director at Standard Life Investments which is a long term investor in Barclays Bank plc. On behalf of our clients, we have today instructed our proxy to vote against Resolution 2, the approval of the Remuneration Report.

We did not take this decision lightly but, on balance, believe this was the right thing to do. We appreciate that there were competitive pressures during 2013, particularly in the Investment Banking business and that the board was seeking to protect a business franchise under threat. Nevertheless, we are unconvinced that the amount of the 2013 bonus pool was in the best interests of shareholders, particularly when we consider how the bank's profits are divided amongst employees, shareholders and ongoing investment in the business. The dividend was unchanged in the year and an additional £5.8 billion of capital was raised from shareholders. We also believe that this decision has had negative repercussions on the bank's reputation.

I should make it clear that we have supported the resolutions to approve the forward-looking Remuneration Policy and to approve a limit on variable remuneration of 2 times fixed remuneration.

Looking to the future, the board has stated its intention of reducing the compensation to net income ratio over the medium term. We support this intention and it is important that, over time, the board demonstrates convincingly that this will be achieved. However, we should like to see more clarity about the criteria the board will consider when determining the ratio. This would help set expectations and improve accountability as well as helping to restore trust. Will the board consider providing such clarity over the coming year?

¹ The statement was delivered by Alison Kennedy, Governance & Stewardship Director at Standard Life Investments.

Ends

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http://www.standardlifeinvestments.com/press_office/index.html

Notes to Editors:

1. Standard Life Investments voted 315, 211, 954 Barclays shares on behalf of its clients. This represents 1.92% of the issued share capital of Barclays Bank plc
2. With assets under management of £184.1bn (31/12/13), Standard Life Investments is one of Europe's major investment houses.
3. Standard Life Investments was launched as an investment management company in 1998. It is a wholly owned subsidiary of Standard Life Investments (Holdings) Limited, which in turn is a wholly owned subsidiary of Standard Life plc.
4. Headquartered in Edinburgh Standard Life Investments' maintains offices in a number of locations around the globe including Boston, Hong Kong, London, Beijing, Montreal, Sydney, Dublin, Paris and Seoul. In addition, we have close relationships with leading domestic players in Asia, including HDFC Asset Management in India and Sumitomo Mitsui Trust Bank in Japan.

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