



August 10, 2012

Sir Michael Rake  
Deputy Chairman and Senior Independent Director  
Barclays Bank PLC  
1 Churchill Place, Canary Wharf  
London, United Kingdom  
E14 5LN

Dear Mr. Rake:

I am writing on behalf of the Council of Institutional Investors to request that the independent directors of Barclays or a committee of independent directors lead a robust review of the bank's process for setting its LIBOR, EURIBOR or similar rates and for ensuring that employees or others cannot influence the bank's determinations of these rates. The process for that review, the names of the directors involved in it, and the extent of their authority to oversee the review should be made publicly available. Secondly, we request that audit committee members ensure comprehensive disclosure of potential losses related to any misreporting of estimates.

The Council of Institutional Investors is an association of public, union and corporate employee benefit plans with more than \$3 trillion in assets. Council members are invested around the globe in a diversified range of investment alternatives, including investments linked to LIBOR and EURIBOR. Clearly they are impacted by the current scandal in different ways and to varying degrees.

However, they are united in their concerns over the damage caused by this most recent scandal in the financial sector. Investor trust and market integrity are the cornerstones of successful capital markets. The LIBOR scandal has threatened both pillars.

Regulators around the globe are now grappling with whether and how to replace LIBOR and other similar rates. In the meantime, we believe the board of directors of all involved banks has a role to play assessing and improving risk controls in these areas, and audit committee members have a responsibility to ensure the transparency and completeness of exposure to potential losses stemming from the misreporting of such rates.

We would welcome any update on the board's work to address the concerns expressed in this letter. Any written response will be posted the Council's Web site.

Sincerely,

Ann Yerger  
Executive Director