

# Barclays PLC

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## Barclays investment bank chief resigns after just two years in charge

Barclays PLC (LON:BARC) said the head of its under-pressure investment bank has decided to step down after two years in charge.

Tim Throsby will step down as chief executive of Barclays International and Barclays Bank PLC as part of wider leadership changes at the lender.

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Chief executive Jes Staley will take over as head of Barclays Bank PLC, the legal entity that houses businesses outside British consumer banking, including the investment bank. He promoted chief operating officer, Paul Compton, to the president of the same division.

Activist investor pressure

The investment bank has come under attack from activist investor Edward Bramson, who built up a 5.5% stake in Barclays through his Sherborne Investors fund and wants to see operations within the division scaled back following a poor performance.

Bramson has also campaigned for a seat on Barclays' board and shareholders will vote on the matter at an annual meeting in May.

However, Barclays has recently seen better than expected results in the division while other large shareholders have raised doubts about giving Bramson a place on the board.

**READ:** Barclays set to boost shareholder returns as end of crisis-era misconduct charges draws near

"Tim joined Barclays in January of 2017, and over the past two years has made a significant contribution to the progress of Barclays International, particularly in the corporate and investment bank, but also in the development of our international consumer businesses," Staley said.

"His strategic focus on investment in, and development of, people and technology, and the work he instituted to modernise our financial resource management, has borne fruit - as evidenced in our 2018 numbers, and the last five quarters of market outperformance."

The corporate and investment bank (CIB) produced a return on tangible equity of just over 7% in 2018. Staley said while this was a "significant improvement" on the previous year, it was "not yet where we need it to be".

He said it was an ongoing priority to get the wholesale business to cover its cost of capital.

We need a more granular execution focus, says Staley

"Competing in the top tier of global corporate and investment banking, enabled by our size, and commitment across

**Price:** 170.74

**Market Cap:** £29.49 billion

### 1 Year Share Price Graph



November 2018 May 2019 November 20

### Share Information

**Code:** BARC

**Listing:** LSE

**52 week High Low**  
173.3 131.036

**Sector:** Banks

**Website:** www.barclays.com

### Company Synopsis:

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 USA, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs 147,000 people.

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asset classes, is important for Barclays' future returns. And we demonstrably do compete in that top tier," he said.

"Notwithstanding that competitive position, I believe we need a more granular execution focus on the businesses within the CIB if we are to drive those returns, in a reasonable timeframe, towards and above that cost of capital.

"And so I have decided to change the leadership model for that business, delaying the organisation in order to bring oversight and accountability for the performance of the corporate and investment bank much closer to me as the group CEO."

Other leadership changes included the appointment of Joe McGrath as head of the investment bank's global banking, which includes the M&A advisory, and debt and equity capital markets units.

Stephen Dainton, current head of global equities, will become interim global head of markets while Barclays "conducts an internal and external search for a permanent appointee to this crucial role".

Alistair Currie will be head of corporate banking while Ashok Vaswani, currently chief of Barclays UK, will take on a newly created role as global head of consumer banking and payments.

Matt Hammerstein, currently head of retail lending, will be appointed as the new UK chief.

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