



## Independent Limited Assurance Report of KPMG LLP to Barclays PLC

KPMG LLP (“KPMG” or “we”) were engaged by Barclays PLC (“Barclays”) to provide limited assurance over the Selected Information described below for the year ended 31 December 2022.

### Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report’s intended use.

### Selected Information

#### ESG-related metrics

The scope of our work includes only the information included in both the Strategic report and the Climate and Sustainability report, contained within the Barclays PLC Annual Report (“the Report”) for the year ended 31 December 2022 marked with the symbol  $\Delta$  (‘the Selected Information’) (and also listed in Appendix 1).

#### BlueTrack™ financed emissions

The scope of our work includes only the information included in both the Strategic report and the Climate and Sustainability report (“the Climate Report”), contained within the Barclays PLC Annual Report for the year ended 31 December 2022 marked with the symbol  $\Delta$  (‘the Selected Information’) (and also listed in Appendix 1).

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Report or displayed on Barclays’ website for the current year or for previous periods unless otherwise indicated.

### Reporting Criteria

#### ESG-related metrics

The Reporting Criteria we used to form our judgements are the ‘Environmental, Social and Governance (ESG) – 2022 Reporting Framework’ as set out at [home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/](https://home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/) (‘the Reporting Criteria’). The Selected Information needs to be read together with the Reporting Criteria.

#### BlueTrack™ financed emissions

The Reporting Criteria we used to form our judgements are the ‘BlueTrack™ Whitepaper’ as set out in [home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/](https://home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/) as well as [home.barclays/sustainability/addressing-climate-change/reducing-our-financed-emissions/bluetrack](https://home.barclays/sustainability/addressing-climate-change/reducing-our-financed-emissions/bluetrack). The Selected Information needs to be read together with the BlueTrack™ Reporting Criteria.

### Inherent limitations

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time. The Reporting Criteria has been developed to assist Barclays in providing the Selected Information only. As such the Selected Information may not be suitable for another purpose.

### Directors’ responsibilities

The Directors of Barclays are responsible for:

- designing, operating and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

### Our responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been properly prepared, in all material respects, in accordance with the Reporting Criteria and to report to Barclays in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

### Assurance standards applied

We conducted our work in accordance with International Standard on Assurance Engagements (UK) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (“ISAE (UK) 3000”) issued by the Financial Reporting Council and, in respect of the greenhouse gas emissions information included within the Selected Information, in accordance with International Standard on Assurance Engagements 3410 *Assurance Engagements on Greenhouse Gas Statements* (“ISAE 3410”), issued by the International Auditing and Assurance Standards Board. Those standards require that we obtain sufficient, appropriate evidence on which to base our conclusion.

### Independence, professional standards and quality control

We comply with the Institute of Chartered Accountants in England and Wales (“ICAEW”) Code of Ethics, which includes independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the IESBA Code of Ethics. We apply International Standard on Quality Control (UK) 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Summary of work performed

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Selected Information as a basis for our limited assurance conclusion. Planning the engagement involves assessing whether the Reporting Criteria are suitable for the purposes of our limited assurance engagement. The procedures selected depend on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

#### ESG-related metrics

- conducting interviews with Barclays’ management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;
- selected limited substantive testing, including agreeing a selection of the Selected Information to the corresponding source documentation;
- assessing a selection of formulae used and manual calculations performed over the Selected Information;
- considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- reperforming a selection of the carbon conversion factor calculations and other unit conversion factor calculations;
- where the Selected Information includes cumulative data, agreeing prior periods’ data to prior periods’ reported data and assessing a selection of the Selected Information against the data splits as set out in the Reporting Criteria;



- recalculating the carbon emissions intensity metric, dividing total emissions by full time equivalent employee data, as provided by Barclays; and
- reading the narrative accompanying the Selected Information in the Report with regard to the Reporting Criteria, and for consistency with our findings.

#### BlueTrack™ financed emissions

- conducting interviews with Barclays' management to understand the key processes, systems and controls in place over the preparation of the Selected Information;
- understanding, through assessing model coding, flows of input data through the BlueTrack™ Model ("the Model") used to calculate the Selected Information, and comparing that to the descriptive narrative within the Model Development Documentation and BlueTrack™ Reporting Criteria;
- selected limited substantive testing, including agreeing a selection of the input data used to calculate the Selected Information to corresponding source documentation, including Barclays' internal IT systems and to third party systems where applicable;
- performing walkthroughs and conducting interviews with Barclays' management to understand any manual overrides of the input data into the Model used to calculate the Selected Information;
- considering the appropriateness of the carbon conversion factors used within the Model used to calculate the Selected Information, with reference to widely recognised and established conversion factors;
- performance of a line-by-line code review of the BlueTrack™ model by KPMG financial modelling experts and reconciling this to the model development document in order to assess whether the Model is doing what management have defined.
- performing analytical procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio; and
- reading the narrative in the Climate Report with regard to the Reporting Criteria and for consistency with our findings.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our work did not include rebuilding the Model utilised to calculate the Selected Information subject to our assurance, nor have we run the Model using test data. We have relied on counterparty, lending and financing information in Barclays' IT systems, that originate from activities undertaken through Barclays general course of business. We have not confirmed the value of lending and financing positions to source documentation, save for data downloaded from Barclays' IT systems. Where Barclays make use of third party data within the Model, our work has been restricted to agreeing data back to the third party information, as opposed to confirming the underlying accuracy of the third party data.

#### **This report's intended use**

Our report has been prepared for Barclays solely in accordance with the terms of our engagement.

Our report was designed to meet the agreed requirements of Barclays determined by Barclays' needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Barclays for any purpose or in any context. Any party other than Barclays who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

KPMG LLP

#### **KPMG LLP**

*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
14 February 2023

The maintenance and integrity of Barclays's website is the responsibility of the Directors of Barclays; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Report presented on Barclays's website since the date of our report.



## Appendix 1

The Underlying Selected Data that constitutes the Selected Information are listed below. The information in this Appendix needs to be read together with the limited assurance report and the Reporting Criteria.

### ESG-related metrics

Selected Information included within the Barclays PLC Annual Report for the year ended 30 September 2022:

<b>Underlying Selected Data</b>	<b>Unit</b>	<b>Value</b>
Total carbon emissions (location-based)	'000s Tonnes CO2e	142.9
Total carbon emissions (market-based)	'000s Tonnes CO2e	41.3
Location-based emissions – Scope 1	'000s Tonnes CO2e	20.0
Location-based emissions – Scope 2	'000s Tonnes CO2e	103.4
Location-based emissions – Scope 3 (business travel only)	'000s Tonnes CO2e	19.4
Market-based emissions – Scope 2	'000s Tonnes CO2e	1.9
Global Scope 1 and Scope 2 carbon emissions (tonnes CO2e % reduction in emissions for the year against baseline (2018)) (location-based)	%	-43
Global Scope 1 and Scope 2 carbon emissions (tonnes CO2e % reduction in emissions for the year against baseline (2018)) (market-based)	%	-91
Total energy use	MWh	467,939
Progress against Barclays' commitment to RE100	%	100
Carbon Emissions Intensity (location-based)	Tonnes CO2e / FTE	1.63
Carbon Emissions Intensity (market-based)	Tonnes CO2e / FTE	0.47

Selected Information included within the Barclays PLC Annual Report for the year ended 31 December 2022:

<b>Underlying Selected Data</b>	<b>Unit</b>	<b>Value</b>
LifeSkills 2022 (number of people upskilled)	number of people millions	2.74
LifeSkills programme to date (since 2013)	number of people millions	18.1
LifeSkills 2022 (number of people placed into work)	number of people placed into work	77,200
Green Financing Facilitated	£ billion	25.5
Green Financing Facilitated – breakdown:		
- Sustainability-linked (green)	£ billion	7.5
- Green	£ billion	18.0
Financing Facilitated in Social and Environmental Segments	£ billion	54.3
Financing Facilitated in Social and Environmental Segments – breakdown:		
- Environmental	£ billion	18.0
- Social	£ billion	24.9
- Sustainability-linked	£ billion	11.4
Progress against £150bn Social and environmental financing by 2025	£ billion	247.6
Progress against £100bn Green financing by 2030	£ billion	87.8
Females at Managing Director and Director Level	%	29
Females on Group ExCo and ExCo direct reports	%	27



BlueTrack™ financed emissions

Selected information within the Barclays PLC Annual Report for the year ended 31 December 2022:

For the reporting years ended 31 December 2020 (baseline) and 31 December 2022:

<b>Underlying Selected Data</b>	<b>Unit</b>	<b>Value - 2022</b>	<b>Value – 2020 (Baseline)</b>
Financed emissions – Energy	Absolute emissions MtCO <sub>2</sub> e	51.7	75.7
Financed emissions – Power	Physical intensity kgCO <sub>2</sub> e/MWh	302	331

For the reporting years ended 31 December 2021 (baseline) and 31 December 2022:

<b>Underlying Selected Data</b>	<b>Unit</b>	<b>Value - 2022</b>	<b>Value – 2021 (Baseline)</b>
Financed emissions – Cement	Physical intensity tCO <sub>2</sub> e/t	0.610	0.625
Financed emissions – Metals (Steel)	Physical intensity tCO <sub>2</sub> e/t	1.732	1.945

For the reporting year ended 31 December 2022 (baseline):

<b>Underlying Selected Data</b>	<b>Unit</b>	<b>Value - 2022</b>
Financed emissions – Automotive Manufacturing	Physical intensity gCO <sub>2</sub> e/km	167.2
Financed emissions – Residential Real Estate	Physical intensity kgCO <sub>2</sub> e/m <sup>2</sup>	32.9