



Barclays PLC
Principles for Responsible
Banking (PRB) 2024



Principles

Principle 1: Alignment

Content

Our climate strategy is driven by consideration of relevant risks and opportunities and in alignment with our Purpose: working together for a better financial future for our customers, clients and communities.

Our ambition is to be a net zero bank by 2050, aligning our financing with the goals and timelines of the Paris Agreement, by achieving net zero operations, reducing our financed emissions and financing the transition.

Barclays' Climate Strategy

1. Achieving net zero operations – Barclays is working to reduce its Scope 1, Scope 2 and Scope 3 operational emissions consistent with a 1.5°C aligned pathway, and counterbalance any residual emissions.
2. Reducing our financed emissions – Barclays is committed to aligning its financing with the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C.
3. Financing the transition – Barclays is helping to provide the green and sustainable finance required to transform the economies, customers and clients we serve.

Our strategy is underpinned by the way we assess and manage our exposure to climate-related risk.

Our approach to nature

Nature is a key sustainability focus for Barclays, given that nature and its ecosystem services fundamentally underpin economies and societies. Nature is also important to the banking sector due to its interlinkages with climate change and social impacts.

Just transition

Barclays aims to contribute to a just transition that seeks to manage the negative social impacts of the transition on people, maximise socioeconomic opportunities for people, and engage with affected people on these impacts and opportunities.

Links & references

2024 Barclays PLC Annual Report

Barclays' climate strategy – p. 60-61

Financing the transition – p.91-92

Our approach to nature – p.116-117

How our sustainable financing supports the Sustainable Development Goals (SDGs) – p.96

Principle 2: Impact & Target Setting

Content

We continue to develop our capabilities in assessing impacts at a Group level. In 2024 we conducted a double materiality assessment (DMA) in accordance with the EU's CSRD for Barclays Bank PLC and its subsidiary, Barclays Bank Ireland PLC. As disclosed in our 2023 PRB Report, we intend to use the output from the impact materiality part of the DMA for the purposes of our PRB reporting. The DMA process covered assessing potential Impacts, Risks and Opportunities (IROs) across all sustainability issues including the four PRB priority areas of Climate Change, Biodiversity, Healthy and Inclusive Economies and Human Rights.

The material impacts for Barclays Bank PLC, which includes the UK Corporate Bank, Private Bank and Wealth Management, Investment Bank and US Consumer Bank found 16 material IROs including Climate Change, Biodiversity, Modern Slavery and the opportunity from Sustainable Products and Services.

Significant impact area 1: Climate Change

We have previously set financed emissions targets for material high-emitting sectors in our portfolio. We continue to report progress against these targets in the 2024 Barclays PLC Annual Report.

Work is underway on a Transition Plan which will set out in detail the actions we are taking to support the implementation of our climate strategy. The plan will also seek to incorporate our developing thinking on nature and social issues, highlight the key dependencies on our path towards net zero and hopefully encourage broader support in tackling them. We intend to publish our Transition Plan later this year.

Significant impact area 2: Sustainable Products and Services (previously Availability, accessibility, affordability, quality of resources and services)

In 2022 we set a target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030. During 2024 we facilitated \$94.4bn^Δ of sustainable and transition financing, bringing the total to date to \$162.2bn^Δ.

During 2024 we supported an additional 38^Δ businesses through our Unreasonable Impact programme, bringing the total to 79 since 2023.

Links & references

2024 Barclays Bank PLC Annual Report

Double Materiality Assessment – p.44-48

2024 Barclays PLC Annual Report

Our strategy, selected targets and progress – p.62

Overview of financed emissions targets and progress – p.84

Sustainable finance dashboard – p.93

Barclays ESG Resource Hub (frameworks and methodologies)

Principle 3: Clients & Customers

Content

Client Transition Framework

We are continuing to embed our Client Transition Framework (CTF) which is a tool we use to evaluate certain corporate clients' progress toward business models aligned with a transition to a low-carbon economy. We conduct annual assessments for Investment Bank clients that are in-scope in sectors with 2030 financed emissions targets.

In 2024, we assessed transition plans and emissions trajectories for in-scope clients across our Power, Energy, Steel, Cement, Automotive Manufacturing, and Aviation portfolios. We have enhanced our data collection and scoring process, leveraging AI and other technology to improve the quality and speed of our review process.

Working with our clients

We want to be by our clients' side as they transition their businesses to operate in a low-carbon economy. We are helping to provide the sustainable finance necessary to transform the economies, customers and clients we serve and are developing products and services that can support clients as they navigate this period of change. More information on how we work with our clients can be found in the 2024 Barclays PLC Annual Report.

Sensitive sector and area policies

In addition to setting sector-specific emission reduction targets, consistent with our Purpose and driven by consideration of all relevant risks and other factors, we have outlined our approach to financing certain sensitive sectors and areas in our policies, each of which contains various conditions and restrictions and other provisions relevant to how we apply them. These policies are set out in detail within the statements and policy positions section of the Barclays website.

Links & references

2024 Barclays PLC Annual Report

Client Transition Framework – p.89

Sensitive sector and area policies – p.90

Working with our clients – p.97-112

Principles (continued)

Principle 4: Stakeholders

Content

Barclays aims to create sustainable value for all those we serve, through the economic cycle. We think about our core stakeholders as belonging to four groups: customers and clients, colleagues, society, and investors. Details of how we engage with our stakeholders are set out in the 'Our stakeholders' section of the 2024 Barclays PLC Annual Report.

Engaging with industry

By working with our partner organisations, memberships and industry initiatives, while gathering views and priorities from clients and industry stakeholders, Barclays is seeking to enable knowledge building and sharing to help shape our sustainable and transition finance ambitions.

In 2024, we worked with many of these bodies to examine the interdependencies facing the global energy transition, including the need to work across companies' full value and supply chains to maximize impact and support a just transition.

Saliency assessments

Following work undertaken in 2023 to identify the most salient human rights risks associated with the corporate and investment bank financing portfolio, Barclays developed its Focus Areas for Progress, setting out the actions we intend to undertake over time to enhance our approach to the management of our salient issues

Barclays also extended its approach to saliency assessments. During the first half of 2024, the Procurement team worked with Shift, a non-profit and leading centre of expertise on business and human rights, to identify and prioritise the salient human rights impacts within our supply chain.

Links & references

2024 Barclays PLC Annual Report

Our stakeholders – p.24-38

Engaging with industry – p.119-122

Human Rights – p.248-249

Principle 5: Governance & Culture

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We implement the Principles through our climate and sustainability strategy.

Governance

Oversight and management of sustainability and climate related issues are embedded within our governance structure.

Barclays' climate and sustainability governance structure consists of the Barclays PLC Board (Board) and its Committees along with Executive and Management Committees which span both business and legal entity lines. The Board sets the Group's climate and sustainability-related strategy and oversees its implementation by senior management.

Incentives

For the Executive Directors of Barclays PLC, an element of each of their 2024 annual bonus and 2024-2026 Long Term Incentive Plan awards was driven by non-financial performance measures, including measures relating to climate and sustainability.

Barclays' performance against non-financial measures, including climate and sustainability metrics, was also explicitly considered in the determination of the incentive pool for 2024 performance, impacting pay levels across the workforce. Individual bonus outcomes are determined based on Group, business, and individual performance.

Skills, culture and training

In 2024 we continued to educate colleagues on sustainability and climate change risk and opportunities, their impact on society and Barclays, and Barclays' strategy and response.

As we strengthen our sustainability capability and culture, our colleagues continue to build insights and expertise to help execute Barclays' climate strategy. We have made online learning available and created upskilling for specific areas in line with strategic priorities – including mandatory training and targeted development for certain teams relevant to their roles and responsibilities.

Links & references

2024 Barclays PLC Annual Report

Skills, culture and training – p.114-115

Climate and sustainability governance – p.241-245

Principle 6: Transparency & Accountability

Content

Our approach to sustainability reporting is informed by recognised external standards and frameworks. As these frameworks evolve, we will continue to assess and amend our approach to sustainability disclosures appropriately. Please refer to the ESG Resource Hub for our further sustainability-related disclosures: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Selected ESG metrics in the Barclays PLC Annual Report were subjected to KPMG Independent Limited Assurance ISAE (UK) 3000 and ISAE 3410. Please refer to the ESG Resource Hub for further details: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

The sustainability reporting set out in the Sustainability Statement in the 2024 Barclays Bank PLC and 2024 Barclays Bank Ireland PLC Annual Reports have been subject to KPMG Independent Limited Assurance in accordance with International Standard on Assurance Engagements (ISAE) (Ireland) 3000, as adopted by the Irish Auditing and Accounting Supervisory Authority (IAASA) in line with the requirements of the CSRD. Please refer to our Annual Report webpage for further details: home.barclays/investor-relations/reports-and-events/annual-reports/

Links & references

home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

home.barclays/investor-relations/reports-and-events/annual-reports/

Disclaimer

Information provided in climate and sustainability disclosures

What is important to our investors and stakeholders evolves over time, and we aim to anticipate and respond to these changes. Disclosure expectations in relation to climate change and sustainability matters are particularly fast moving, and differ from more traditional areas of reporting including in relation to the level of detail and forward-looking nature of the information involved and the consideration of impacts on the environment and other persons. We have adapted our approach in relation to the disclosure of such matters. Our climate and sustainability disclosures take into account the wider context relevant to these topics, which may include evolving stakeholder views, the development of our climate strategy, longer timeframes for assessing potential risks and impacts, international long-term climate- and nature-based policy goals, evolving sustainability-related policy frameworks (and the harmonisation or interoperability of relevant regulation) and geopolitical developments and regional variations. Our climate and sustainability disclosures are subject to more uncertainty than disclosures relating to other subjects, given market challenges in relation to data reliability, consistency and timeliness – the use of estimates, judgements and assumptions which are likely to change over time, the application and development of data, models, scenarios and methodologies, the change in regulatory landscape, and variations in reporting standards.

These factors mean disclosures may be amended, updated, and recalculated in future as market practice and data quality and availability develops, and could cause actual achievements, results, performance or other future events or conditions to differ, in some cases materially, from those stated, implied and/or reflected in any forward-looking statements or metrics included in our climate and sustainability disclosures. We give no assurance as to the likelihood of the achievement or reasonableness of any projections, estimates, forecasts, targets, commitments, ambitions, prospects or returns contained in our climate and sustainability disclosures and make no commitment to revise or update any such disclosures to reflect events or circumstances occurring or existing after the date of such statements.

Disclaimers

In preparing the climate and sustainability content within this disclosure wherever it appears, we have:

- Made certain key judgements, estimations and assumptions. This is, for example, the case in relation to financed emissions, portfolio alignment, classification of environmental and social financing, operational emissions and sustainability metrics, measurement of climate risk and scenario analysis.
- Used climate and sustainability data, models, scenarios and methodologies we consider to be appropriate and suitable for these purposes as at the date on which they were deployed. This includes data, models, scenarios and methodologies made available by third parties (over which we have no control) and which may have been prepared using a range of different methodologies, or where the basis of preparation may not be known to us. Methodologies, interpretations or assumptions may not be capable of being independently verified and may therefore be inaccurate. Climate and sustainability data, models, scenarios and methodologies are subject to future risks and uncertainties and may change over time. Climate and sustainability disclosures in this document, including climate and sustainability-related data, models and methodologies, are not of the same standard as those available in the context of other financial information and use a greater number and level of judgements, assumptions and estimates, including with respect to the classification of climate and sustainable financing activities. Climate and sustainability disclosures are also not subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Historical data cannot be relied on as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data, scenario analysis and the application of methodologies will also be affected by underlying data quality, which can be hard to assess, or challenges in accessing data on a timely basis.

- Continued (and will continue) to review and develop our approach to data, models, scenarios and methodologies in line with market principles and standards as this subject area matures. The data, models, scenarios and methodologies used (including those made available by third parties) and the judgements, estimates and/or assumptions made in them or by us are rapidly evolving, including scientific evidence relating to climate change and scenarios outlining pathways to net zero, and this may directly or indirectly affect the metrics, data points, targets, convergence points and milestones contained in the climate and sustainability content within this disclosure. Further, changes in external factors which are outside of our control such as accounting and/or reporting standards, improvements in data quality, data availability, or updates to methodologies and models and/or updates or restatements of data by third parties, could impact – potentially materially – the performance metrics, data points, targets, convergence points and milestones contained in the climate and sustainability content within this report. In future reports we may present some or all of the information for this reporting period (including information made available by third parties) using updated or more granular data or improved models, scenarios methodologies, market practices or standards. Equally, we may need to re-baseline, restate, revise, recalculate or recalibrate performance against targets, convergence points or milestones on the basis of such updated data.

Such updated information may result in different outcomes than those included in this disclosure. It is important for readers and users of this disclosure to be aware that direct, like-for-like comparisons of each piece of information disclosed may not always be possible from one reporting period to another. The "Implementing our climate strategy" section of the Annual Report highlights where information in respect of a previous reporting period has been updated. Our principles-based approach to reporting financed emissions data (see pages 81-82) sets out when financed emissions information in respect of a prior year will be identified and explained.

- Included in this disclosure are a number of graphics, infographics, text boxes and illustrative case studies and credentials which aim to give a high-level overview of certain elements of the climate and sustainability content within this disclosure and improve accessibility for readers. These graphics, infographics, text boxes and illustrative case studies and credentials are designed to be read within the context of this disclosure as a whole.

KPMG LLP has performed limited independent assurance over selected climate and sustainability content, which has been marked with the symbol ^Δ. The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (UK) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements 3410 Assurance of Greenhouse Gas Statements. A limited assurance opinion was issued and is available at the website link below. This includes details of the scope, reporting criteria, respective responsibilities, work performed, limitations and conclusion. No other information in this disclosure has been subject to this external limited assurance.

There are a variety of internal and external factors which may impact our reported metrics and progress against our targets, convergence points and milestones.

 The limited assurance opinion is available at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance, and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but may also be made verbally by directors, officers and employees of the Group, including during management presentations, in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including ESG commitments and targets), plans and objectives for future operations, International Financial Reporting Standards ("IFRS") and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances.

Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation; regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices, and the interpretation thereof; changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively or navigate inconsistencies and conflicts in the manner in which climate policy is implemented in the regions where the Group operates, including as a result of the adoption of anti-ESG rules; environmental, social and geopolitical risks and incidents and similar events beyond the Group's control; financial crime, the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market-related risks such as changes in interest rates and foreign exchange rates; reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within the Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections, including the impact of the UK, European and US elections in 2024;

developments in the UK's relationship with the European Union (EU); the risk of cyberattacks, information or security breaches, technology failures or other operational disruptions and any subsequent impact on the Group's reputation, business or operations; the Group's ability to access funding; and the success of acquisitions (including the acquisition of Tesco Bank completed in November 2024), disposals and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Group's forward-looking statements. In setting its targets and outlook for the period 2024-2026, Barclays has made certain assumptions about the macro-economic environment, including, without limitation, inflation, interest and unemployment rates, the different markets and competitive conditions in which Barclays operates, and its ability to grow certain businesses and achieve costs savings and other structural actions. Additional risks and factors which may impact the Group's future financial condition and performance are identified in the description of material existing and emerging risks beginning on page 268 of the Barclays PLC Annual Report.

Subject to Barclays PLC's obligations under the applicable laws and regulations of any relevant jurisdiction (including, without limitation, the UK and the US) in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



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