



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup> Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup> Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup> Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21___Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: Barclays Bank PLC

Publication date: 18 April 2024

## Commitment to achieving Net Zero

In 2020, Barclays announced its ambition to be a net zero bank by 2050, becoming one of the first banks to do so.

We have a three-part strategy to turn our net zero ambition into action:

1. Achieving net-zero operations: Barclays is working to reduce its Scope 1, Scope 2 and Scope 3 operational emissions<sup>4</sup> 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.

Please see pages 59-137 of [Barclays PLC 2023 Annual Report](#) for more information about Barclays' climate strategy.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

**Baseline Year: 2018**

### **Additional Details relating to the Baseline Emissions calculations.**

The baseline is 2018 as we developed a more robust data collection and monitoring system as of 2018 for more accurate comparison for future reporting years.

The methodology used to calculate our GHG emissions follows the 'Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard (Revised Edition)', defined by the World Resources Institute/World Business Council for Sustainable Development. We have adopted the operational control approach to define our reporting boundary. For more information, see the Barclays ESG Reporting Framework 2023 on our [ESG Data Centre](#). For 2023, we have applied the latest emission factors as of 31st December 2023.

We continue to work on improving our data quality and accounting methodologies to make meaningful comparisons of emissions data over time and to make informed strategic decisions. Given the evolving nature of climate data and methodologies, past-period figures may change to reflect updates. To manage the impact of these changes we have detailed our operational

<sup>4</sup> We define our Scope 3 operational emissions to include supply chain, waste, business travel and leased assets.

climate data accounting approach in the [ESG Reporting Framework](#) on our [ESG Resource Hub](#). We have also detailed any movements in prior year data in Barclays [2023 ESG Data Centre](#) under the Operational Footprint tab row 147 onwards.

**Baseline year emissions:** 2018 (1 October 2017 – 30 September 2018)

<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>Metric:</b> Metric tons CO <sub>2</sub> e 29,030
<b>Scope 2</b>	<b>Metric:</b> Metric tons CO <sub>2</sub> e Location-based: 182,142 Market-based: 205,710
<b>Scope 3 (Included Sources)</b>	<b>Metric:</b> Metric tons CO <sub>2</sub> e  Upstream: Category 1 - Purchased goods and services: 765,634 ( <i>Includes Categories 2 &amp; 4</i> ) Category 3 - Fuel and energy related activities: 31,897 Category 5 - Waste generated in operations: 1,309 Category 6 - Business Travel: 69,231  Category 7 – Employee commuting: <i>We do not currently disclose emissions in this category. However, we continue to review and develop our approach to net zero operations as standards to understand and define net zero evolve rapidly.</i>  Category 8 - Leased assets: 12,251  Downstream: Category 9 – Downstream transportation and distribution: <i>We do not currently disclose emissions in this category. However, we continue to review and develop our approach to net zero operations as standards to understand and define net zero evolve rapidly.</i> Category 13 - Leased assets: 63
<b>Total Emissions</b>	Total GHG Emissions: Scope 1, scope 2 location-based and scope 3 business travel: <b>1,019,494</b> (Metric tons CO <sub>2</sub> e)  Total GHG Emissions: Scope 1, scope 2 market-based and scope 3 business travel: <b>1,115,062</b> (Metric tons CO <sub>2</sub> e)

## Current Emissions Reporting

Reporting Year: 2023 (1 October 2022 – 30 September 2023)	
EMISSIONS	TOTAL Group Operational GHG Emissions <sup>5</sup> (tCO <sub>2</sub> e)
Scope 1	<b>Metric:</b> tCO <sub>2</sub> e (000' tonnes) 15.3 <sup>□6</sup>
Scope 2	<b>Metric:</b> tCO <sub>2</sub> e (000' tonnes) Location-based: 87.2 <sup>□7</sup> Market-based: 1.6 <sup>□8</sup>
Scope 3 <sup>9</sup> (Included Sources)	<b>Metric:</b> tCO <sub>2</sub> e (000' tonnes) Category 3 - Fuel and energy related activities: 13.4 <sup>□</sup> Category 5 - Waste generated in operations <sup>10</sup> : 0.36 <sup>□</sup> Category 6 - Business Travel: 39.5 <sup>□</sup> Category 7 – Employee commuting: <i>We do not currently disclose emissions in this category. However, we continue to review and develop our approach to net zero operations as standards to understand and define net zero evolve rapidly.</i> Category 8 – Upstream leased assets <sup>11</sup> : 27.0 <sup>□</sup> Category 9 – Downstream transportation and distribution: <i>We do not currently disclose emissions in this category. However, we continue to review and develop our approach to net zero operations as standards to understand and define net zero evolve rapidly.</i> Category 13 – Downstream leased assets <sup>8</sup> : 0.72 <sup>□</sup>
<b>Total Emissions</b>	Total GHG Emissions: Scope 1, scope 2 location-based and scope 3 operational: <b>183.5<sup>□</sup></b>

See [Barclays PLC 2023 Annual Report](#) page 187 for more information.

<sup>5</sup> The methodology used to calculate our GHG emissions follows the 'Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard (Revised Edition)', defined by the World Resources Institute/World Business Council for Sustainable Development. We have adopted the operational control approach to define our reporting boundary. For 2023, we have applied the latest emission factors as of 31 December 2023. Reported emissions for Scope 2 location and market-based have been recalculated back to the 2018 baseline, due to updated internal and external data. The associated emissions have also been re-classified from Scope 2 electricity to Scope 3 Category 8 (Upstream Leased Assets) as these emissions are currently outside of our operational control. In 2022 we reported Scope 2 location-based emissions of 103,422 tCO<sub>2</sub>e; the recalculated figure is 99,782 tCO<sub>2</sub>e. In 2022 we reported Scope 2 market-based emissions of 1,883 tCO<sub>2</sub>e; the recalculated figure is 1,963 tCO<sub>2</sub>e. In 2022 we reported energy use of 467,939 MWh; the recalculated figure is 463,973 MWh.

<sup>6</sup> Scope 1 emissions include our direct GHG emissions from natural gas, fuel oil, company cars and HFC refrigerants. In the case of company-owned vehicles, emissions are limited to UK vehicles only as this is the only country in which expense data is available.

<sup>7</sup> Scope 2 GHG emissions include our indirect GHG emissions from purchased electricity, purchased heat, cooling and steam. Market-based emissions have been reported for 2023 and 2022. We have used a zero emission factor where we have green tariffs or energy attribute certificates in place globally.

<sup>8</sup> Energy consumption data is captured through utility billing; meter reads or estimates. Principal measures we have undertaken in 2023 to improve energy efficiency include the following:

- Right-sized our global real estate portfolio, therefore optimising our space and associated resources for our operational needs.
- Deployed our global energy optimisation programme by adjusting corporate offices' settings and systems during periods of low or no occupancy to reduce our demand for energy while keeping our buildings running. In 2023 the programme contributed to approximately 9.1 GWh in energy savings at our UK sites – equivalent to the annual electricity consumption of approximately 2,600 UK households.

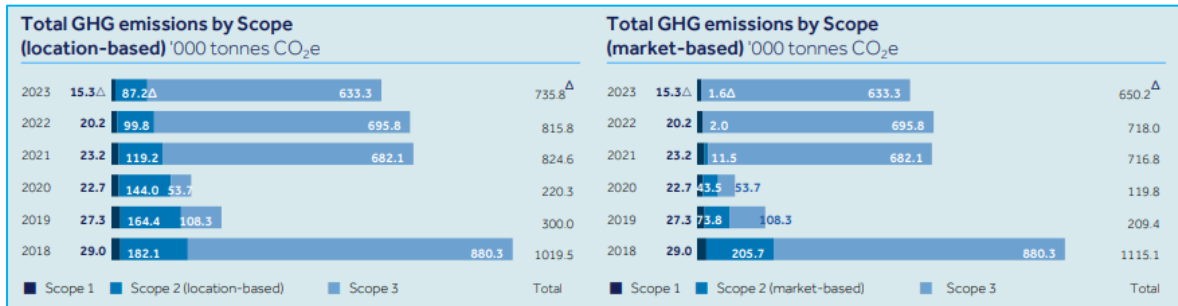
<sup>9</sup> Scope 3 category 1, 2 and 4 emissions are excluded as these emissions cannot be broken down by country. Scope 3 category 1, 2 and 4 emissions can be found in the Operational Footprint tab of the ESG Data Centre.

<sup>10</sup> We have recalculated FY 2022 Scope 3 Category 5 GHG emissions from 10,700 tCO<sub>2</sub>e to 352 tCO<sub>2</sub>e as DEFRA Material Use emission factors were incorrectly applied to waste production which resulted in an overstatement of emissions.

<sup>11</sup> Upstream and downstream leased assets include our third-party co-located data centres and a property we lease out to tenants. Upstream leased assets also include properties with landlord managed energy from central systems which are outside of our operational control.

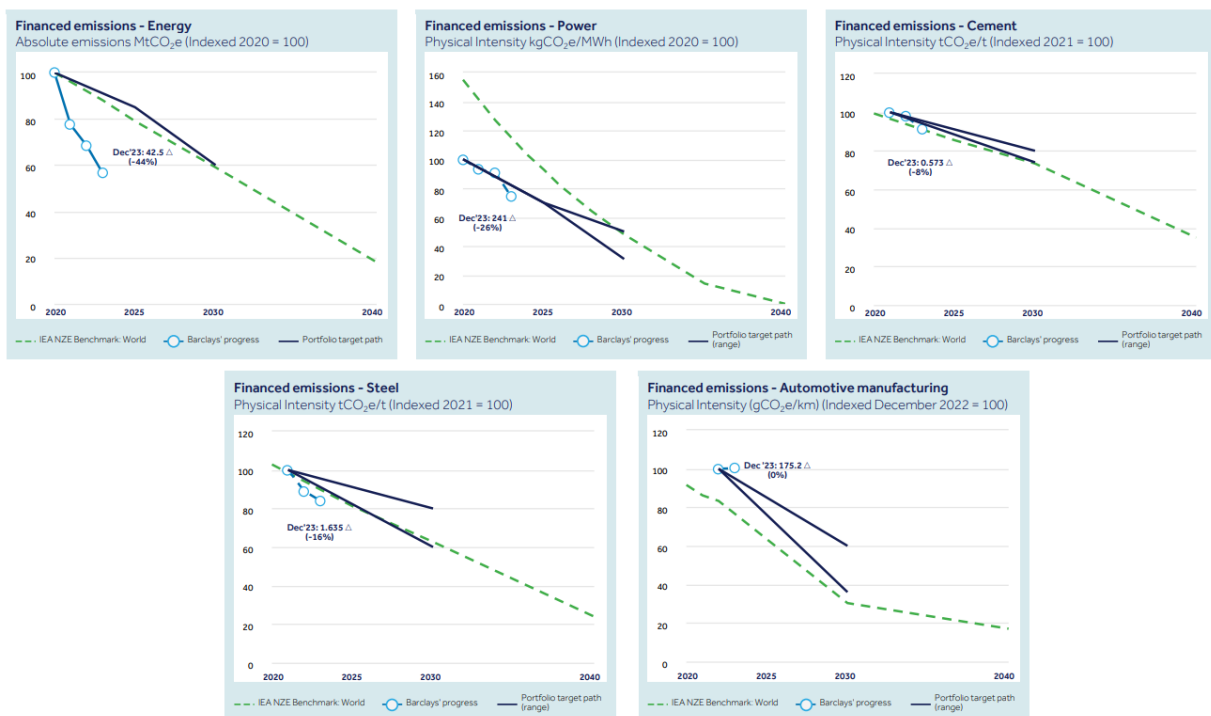
## Emissions reduction targets

Information on Barclays' net zero operations strategy and progress can be found on pages 73 to 79 of our [2023 Annual Report](#). Charts showcasing Barclays' total GHG emission by Scope (location-based and market based) and total energy use are shown below.



Source: Barclays PLC [2023 Annual Report](#), page 76. Charts should be read in context of 2023 Annual Report pages 73 to 79

Information on Barclays' financed emission reduction strategy, targets and progress can be found on pages 80 to 99 of our [2023 Annual Report](#). Charts showcasing Barclays progress against our existing financed emissions sector targets are shown below.



Source: Barclays PLC [2023 Annual Report](#), page 88. Charts should be read in context of 2023 Annual Report pages 80 to 99

## Carbon Reduction Projects

### Net zero operations strategy overview

Our net zero operations strategy has two components:

- Reduce our Scope 1 and 2 emissions through energy efficiency, electrification of our buildings and vehicles, renewable electricity sourcing and replacing fossil-fuel-powered infrastructure with low-emission alternatives.

- Reduce Scope 3 operational emissions by engaging with our key stakeholders, including suppliers and colleagues, to track, manage and reduce their GHG emissions – while embedding net zero principles across our policies and contractual requirements.

#### *Net zero operations strategy progress to date*

In 2023 we achieved our milestone<sup>12</sup> of 50% reduction of our Scope 1 and 2 location-based GHG emissions ahead of 2030 – reducing these emissions by 51%<sup>Δ</sup>. We continued to source 100%<sup>Δ</sup> renewable electricity<sup>13</sup> for our global real estate portfolio<sup>14</sup> and continued to meet our 90% Scope 1 and 2 market-based emissions reduction target<sup>15</sup> – reducing these emissions by 93%<sup>Δ</sup>.

Key contributors to our progress include global real estate portfolio right-sizing<sup>16</sup> and energy efficiency programmes, as well as company vehicles electrification, and our continued focus on renewable electricity sourcing.

#### *Reducing our financed emissions overview*

Most of our emissions result from the activities of the clients that we finance and those generated in their respective value chains. These are our so-called ‘financed emissions’.

We are committed to align all our financing to the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C. In order to meet this ambition, we need to reduce our financed emissions, not just for lending but for capital markets activities as well, and we work closely with our clients to do so.

In 2020, we developed our BlueTrack<sup>TM17</sup> methodology to measure and track our progress against our financed emissions, setting 2025 targets for the Energy and Power sectors. We prioritised these sectors because they are responsible for up to three-quarters of all greenhouse gas emissions globally and because Barclays has meaningful exposure to them.

Since then, we have further extended the scope of our calculations to cover the full in-scope balance sheet financed emissions and have set reduction targets for eight sectors, including three new ones for 2023 – Agriculture, Aviation and UK Commercial Real Estate. Additionally, we have expanded the scope of our UK Residential Real Estate convergence point.

#### *Reducing our financed emissions progress to date*

As of December 2023, our financed emissions for the energy sector have dropped by 44% since 2020, exceeding our target of a 40% reduction by 2030 and the emissions intensity of our Power portfolio has dropped by 26% since 2020.

Please see additional information Barclays’ carbon reduction projects on pages 73-100 in our [2023 Annual Report](#). Specifically, see pages 76 for information on reducing our Scope 1

<sup>12</sup> In this Achieving net zero operations section, a reference to a “milestone” denotes an indicator we are working towards and report against

<sup>13</sup> We maintained 100% renewable electricity sourcing for our global real estate portfolio through instruments including green tariffs (55%) and energy attribute certificates (EACs)(45%).

<sup>14</sup> Global real estate portfolio includes offices, branches, campuses and data centres

<sup>15</sup> In this Achieving net zero operations section, a reference to a “target” denotes an indicator linked to our executive remuneration.

<sup>16</sup> By right-sizing, we are optimising our space and associated resources for our operational needs.

<sup>17</sup> See our [Financed Emissions Methodology](#) for more information on BlueTrack<sup>TM</sup>

and 2 emissions, pages 77 and 78 for information on addressing our Scope 3 operational emissions, and page 89 for progress against BlueTrack™ sector targets. Please see also our [website](#) for more information.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>18</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>19</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>20</sup>.

This Carbon Reduction Plan is compiled from components in the Barclays PLC 2023 Annual Report (except rebaselined emission data on page 3) which were subject to the Bank's external disclosure governance framework, which includes SOx attestation requirements and approval by the board of directors of Barclays PLC. This Carbon Reduction Plan is signed by Matt Hammerstein as Chief Executive Officer of the UK Corporate Bank.

## Signed on behalf of the Supplier

Date: .....19<sup>th</sup> April 2024.....

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<sup>18</sup><https://ghgprotocol.org/corporate-standard>

<sup>19</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>20</sup><https://ghgprotocol.org/standards/scope-3-standard>