

Barclays Plc Green Bond

Carbon Trust Independent Assurance Statement

Terms of Engagement

Carbon Trust Assurance Limited (“**Carbon Trust**”) was commissioned by Barclays PLC (the “**Issuer**”) to verify that the Issuer’s €500,000,000 Green Bonds issued pursuant to a Drawdown Prospectus dated 10 November 2017 (the “**Bonds**”) comply with the Post-Issuance Requirements of the Climate Bonds Standard 2.1 (including the Sector Technical Criteria for Low Carbon Buildings). This Statement is addressed to the Issuer.

No opinion or assurance is provided regarding the financial performance of the Bonds or the value of any investments in the Bonds or any asset deriving value from the Bonds. The Carbon Trust’s objective has been solely to provide limited assurance on whether the Bonds have met the criteria described in this document.

Our Conclusion

Based on the limited assurance procedures we have undertaken and the evidence provided by the Issuer, nothing has come to our attention that causes us to believe that, in all material respects, the Bonds do not comply with the Post-Issuance Requirements of the Climate Bonds Standard 2.1.

Assurance Standard Applied

We performed our work in accordance with Carbon Trust’s assurance methodology, which is based on the *International Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Information*.

Scope of Assurance

Our work involved verification against the Post-Issuance Requirements of the Climate Bonds Standard Version 2.1 as listed below:

- Part A: General requirements
 - Nominated Projects and Assets
 - Use of Proceeds
 - Non-Contamination of Proceeds
 - Confidentiality
 - Reporting
- Part B: Eligible Projects and Assets
 - Climate Bonds Taxonomy
 - Technical Criteria
- Part C: Requirements for Specific Bond Types
 - Project Holding
 - Settlement Period
 - Earmarking

Responsibilities of the Issuer and Carbon Trust

The management of the Issuer are responsible for ensuring that the Bonds comply with the Post-Issuance Requirements of the Climate Bonds Standard 2.1. This assurance Statement represents our independent, limited assurance opinion on whether the Bonds comply with those requirements. The Statement is based on information provided to us by the Issuer and we have relied on the accuracy of that information. Our work is limited to assurance that the information provided to us regarding the Bond complies with the Post-Issuance Requirements of Climate Bonds Standard 2.1 and does not include an audit or other verification that the information provided by the Issuer is correct or accurate.

Our Assurance Activities

The work we carried out to obtain the information that we believe was necessary to provide a basis for this Statement included but was not limited to:

- Reviewing the procedures documents implemented by the Issuer in relation the Bonds;
- Checking that mortgages allocated to the Bond meet the eligibility criteria under the Issuer's Green Bond Framework dated September 2017 (the "**Framework**");
- Interviewing relevant personnel of the Issuer to assess compliance with the Framework and the implementation of associated policies and procedures;
- On-site examination of the operation of internal systems and processes; and
- Obtaining, reviewing and witnessing evidence to support key assumptions and other data.

Limitations

Certain of our assurance work (in relation to the eligibility of mortgages allocated to the Bonds) was based on a limited sampling approach. Whilst the results of this approach support the conclusions set out in this Statement, a review of each individual mortgage allocated to the Bonds may have provided a different result. We did not perform assessments on data and information beyond the defined scope of verification activities as defined in this statement.

This Statement is based on assessment carried out on or before 16th February 2018 and no further assessment was carried out subsequent to that date. The Statement is based on information and data covering the period from 6 November 2017 to 31 December 2017.

CTA's Competence and Independence

In relation to the bond, the Carbon Trust has delivered a feasibility study regarding the Framework, a Second Opinion on conformance of this Framework with the ICMA Green Bond Principles 2017, a Report of Factual Findings and a Post-issuance assurance based on the requirements of the Climate Bonds Standard (which are independently formed).

Our commitment to impartiality and quality assurance is established in our policies, procedures and management structure. These reflect international standards for quality management and incorporate requirements of the Carbon Trust's accreditation by the United Kingdom Accreditation Service to certify energy management systems. As a result the conclusions in this report reflect an impartial application of the Post-Issuance Requirements under the Climate Bonds Standard 2.1. We are an accredited Climate Bonds Initiative verifier. We ensure the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is internally reviewed by senior management to ensure that the approach is rigorous and transparent.

Use of Statement

This Statement is prepared solely for the purpose of enabling the Issuer to apply for certification of the Bonds to the Climate Bonds Standard 2.1 by the Climate Bonds Initiative. We have not considered the interest of any other party in the Statement. This Statement is made solely to the Issuer in accordance with the terms of engagement, which include agreed arrangements for disclosure. The work was undertaken by the Carbon Trust so as to state to the Issuer those matters contained in this Statement and for no other purpose. The Statement should not be regarded as suitable to be used or relied on by any party other than the Issuer for any purpose or in any context. Any party other than the Issuer who chooses to rely on the report (or any part thereof) will do so at its own risk. To the fullest extent permitted by the law, the Carbon Trust accepts or assumes no responsibility or liability to any party other than the Issuer for this report.

A handwritten signature in black ink, appearing to read "Morgan Jones".

Morgan Jones,
Associate Director, Carbon Trust Assurance
20th February 2018



Carbon Trust Assurance Ltd, London
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This Assurance Statement ("Statement") is given by Carbon Trust Assurance Limited ("CTAs") and is addressed solely to the Issuer in accordance with the terms of the engagement contract between us and the Issuer. Those terms permit disclosure to other parties (whether by publication on the website of the Climate Bonds Initiative (the "CBI") or otherwise), solely for the purpose of enabling the Issuer to apply for certification to the Climate Bonds Standard by the CBI in connection with the Bonds. We have not considered the interest of any other party in the Statement. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any other party for our work, for this Statement or for the conclusions we have reached. CTAs will not accept any form of liability for the substance of the Statement and/or any liability for damage arising from the use of the Statement and/or the information provided in it. As the Statement is based on information made available by the Issuer, CTAs does not warrant that the information presented in this Statement is complete, accurate or up to date. Nothing contained in this Statement shall be construed as to make a representation or warranty, express or implied, regarding the advisability of investing in any securities or any asset whose value is derived from any securities. Any person other than the Issuer who obtains access to the Statement or a copy thereof and chooses to rely on it will do so at its own risk. Furthermore, this Statement shall in no event be interpreted and construed as an assessment of the economic performance and credit worthiness of the Issuer or the Bond. The issuance and the performance of the Bond Issuer and the Bond is outside the scope of this engagement. We have consented to the inclusion of the Statement on the CBI website or in such other manner as CBI shall from time to time use for making verification Statements rendered in respect of applications for certification to the Climate Bonds Standard available to the public. We reserve the right to withdraw such consent at any time.

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