



Building a better working world

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**Independent Limited Assurance Report for Selected Key Performance Indicators**

**To the Directors of Barclays Africa Group Limited**

We have undertaken a limited assurance engagement on selected key performance indicators (Selected Indicators), as described below, that are presented in the Integrated Report of Barclays Africa Group Limited (Barclays Africa) for the year ended 31 December 2016 (the Integrated Report). This engagement was conducted by a multidisciplinary team including social, economic, environmental and assurance specialists with extensive experience in sustainability reporting.

*Subject matter*

Our limited assurance engagement was performed in respect of the Selected Indicators set out in the table below and which are marked with an <sup>LA</sup> on the relevant pages of the Integrated Report. These are presented in accordance with management's internally defined measurement and reporting criteria which are provided in the Appendix to this report.

	<b>Selected Indicators</b>	<b>Coverage</b>
<b>Customer and Client</b>	Total number of banking customers (millions)	South Africa
	Net Promoter Score <sup>®</sup> (%)	Barclays Africa
	Complaints per 1 000 customers	South Africa
	Number of complaints opened and closed with the South African Ombudsman for Banking Services	South Africa
<b>Colleague</b>	Total headcount broken down by permanent versus temporary and by gender	Barclays Africa
	Women in senior management (%)	Barclays Africa
	Permanent employee turnover rate (%)	Barclays Africa
<b>Citizenship</b>	Shared growth disbursements towards education and skills development (ZAR)	Barclays Africa
	Number of Equator Principle transactions	Barclays Africa
	Total energy use (gWh)	Barclays Africa
	Carbon emissions scope 1, 2, 3 and total (tonnes CO <sub>2</sub> e)	Barclays Africa
<b>Conduct</b>	Employees completing a code of conduct (the Barclays Way) attestation (%)	Barclays Africa
	Employees completing Conduct Risk College Foundation training (%)	Barclays Africa
	Employees completing Fighting Financial Crime training (%)	Barclays Africa

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### *Directors' responsibilities*

The directors are responsible for:

- the identification of stakeholders and stakeholder requirements, material issues, and for commitments with respect to sustainability performance;
- the selection and preparation of the Selected Indicators in accordance with management's internally developed measurement and reporting criteria, and presentation thereof in the Integrated Report;
- determining the appropriateness of the measurement and reporting criteria in view of the intended users (Barclays Africa stakeholders) of the Selected Indicators and for ensuring that those criteria are publicly available to the Integrated Report users; and
- the design, implementation and maintenance of internal control relevant to the preparation of an Integrated Report that is free from material misstatement, whether due to fraud or error.

### *Inherent limitations*

Carbon emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third party information.

### *Independence and quality control*

We have complied with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants as well as the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In accordance with International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Service Engagements*, EY and PwC, respectively, 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.

### *Assurance work performed*

Our responsibility is to express a limited assurance conclusion on the Selected Indicators disclosed in the Integrated Report, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), *Assurance Engagements other than the Audits or Reviews of Historical Financial Information* and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. Those Standards require that we plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement, undertaken in accordance with ISAE 3000 (Revised) and ISAE3410, involves assessing the suitability in the circumstances of management's reporting criteria as the basis of preparation for the Selected Indicators, assessing the risks of material misstatement of the Selected Indicators, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of this assurance engagement, our procedures performed included the following:

- Reviewing the process Barclays Africa has in place for determining material Selected Indicators, to be included in the Integrated Report;
- Interviewing management and senior executives to obtain an understanding of the basis of preparation and presentation of the Selected Indicators (including management's internally developed measurement and reporting criteria applied to prepare and present those selected KPIs), and of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process. In doing so we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Inspecting documentation to corroborate the statements of management and senior executives in our interviews;
- Testing the processes and systems to generate, collate, aggregate, monitor and report the Selected Indicators;
- Inspecting supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against management's reporting criteria;
- For scope 1, 2 and 3 carbon emissions, evaluating whether Barclays Africa's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Barclays Africa's estimates;
- Evaluating the reasonableness and appropriateness of significant estimates and judgements made by the directors in the preparation of the other key performance indicators; and
- Evaluating whether the Selected Indicators presented in the Integrated Report are consistent with our overall knowledge and experience of sustainability management and performance at Barclays Africa.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Barclays Africa's selected KPIs have been prepared, in all material respects, in accordance with management's reporting criteria.

#### *Limited assurance conclusion*

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Indicators as set out in the Integrated Report for the year ended 31 December 2016, are not prepared and presented, in all material respects, in accordance with Barclays Africa internally developed measurement and reporting criteria.

#### *Other matters*

Our report does not extend to any disclosures or assertions relating to future performance plans and / or strategies disclosed in the Integrated Report. The maintenance and integrity of Barclays Africa's website is the responsibility of Barclays Africa management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Integrated Report or our independent assurance report that may have occurred since the initial date of presentation on the Barclays Africa website.

#### *Restriction of use and liability*

Our work has been undertaken to enable us to express a limited assurance conclusion in respect of the Selected Indicators to the Directors of Barclays Africa in accordance with the terms of our engagement, and for no other purpose. Our report is intended solely for the Directors of Barclays Africa and should not be used by any other parties. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than Directors of Barclays Africa, for our work, for this report, or for the conclusion we have reached. We agree to the publication of our assurance report on the Barclays Africa website provided it is clearly understood by the recipients of the Integrated Report that they enjoy such receipt for information only and that we accept no duty of care to them whatsoever in respect of this report.

*Ernst & Young Inc.*

Ernst & Young Inc  
Director – Charles Mazhindu  
Registered Auditor  
Chartered Accountant (SA)

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31 March 2017

*PricewaterhouseCoopers Inc.*

PricewaterhouseCoopers Inc  
Director – Jayne Mammatt  
Registered Auditor  
Chartered Accountant (SA)

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31 March 2017

Appendix: Barclays Africa Group Limited: Management's internally defined measurement and reporting criteria for selected indicators presented in the Integrated Report of Barclays Africa Group Limited for the year ended 31 December 2016

	Scope	2016 definition
<b>Customer and Client</b>		
Total number of banking customers (millions)	South Africa	Total number of South African customers with open Absa core banking products such as cheque accounts, savings accounts, secured and unsecured loans. Excludes wills, life policies, Edcon, Woolworths Financial Services and Virgin Money South Africa.
Net Promoter Score <sup>®</sup>	Barclays Africa	Net Promoter Score <sup>®</sup> is a brand relationship score, defined as the percentage difference between the percentage of promoters and detractors based on the likelihood to recommend the Group to friends and family. The quarter 4 score is the reported figure as this reflects market sentiment at 31 December 2016. <sup>®</sup> Net Promoter, Net Promoter Score and NPS are trademarks of Satmetrix Systems, Inc., Bain & Company Inc. and Fred Reichheld.
Complaints per 1000 customers	South Africa	The total number of complaints (any expression of dissatisfaction) logged during the year ended 31 December 2016 per 1,000 customers.
Number of complaints opened and closed with the South African Ombudsman for Banking Services	South Africa	The number of complaints opened and closed with the South African Ombudsman for Banking Services during the year ended 31 December 2016.
<b>Colleague</b>		
Total headcount broken down by permanent versus temporary and by gender	Barclays Africa	Number of employees includes permanent and temporary employees legally employed and paid by Barclays Africa including regular contracts, interns, graduates, specialists and brokers. It covers operational and non-operational full-time, part-time, two-thirds and commission-paid employees. It also includes the contingency workforce, which is all agency, contractors and self-employed employees paid via a third party for services rendered.
Women in senior management (%)	Barclays Africa	The number of female employees in managing principal /principal roles for South Africa, and director and managing director roles for Rest of Africa, expressed as a percentage of the total number employees in managing principal (director) / principal (managing director) roles as at 31 December 2016.
Permanent employee turnover rate (%)	Barclays Africa	The total number of terminated employment contracts expressed as a percentage of the average number of permanent employees for the year.
<b>Citizenship</b>		
Shared growth disbursements towards education and skills development (ZAR)	Barclays Africa	Community investment disbursements invested in programmes of public benefit, focused on education / skills development.
Number of Equator Principle transactions	Barclays Africa	The total number of project finance related transactions that have been independently reviewed for environmental and social risks in terms of the Equator Principles which have reached financial close.
Total energy use (gWh)	Barclays Africa	The total energy usage is the sum of electricity, gas, solar photovoltaic, petrol and diesel used in kWh.
Carbon emissions scope 1, 2, 3 and total (tonnes CO <sub>2</sub> e)	Barclays Africa	The total of Scope 1, 2 and 3 CO <sub>2</sub> emissions (GHG Protocol: operational control boundary). 2013 restated for revised GHG factors.

	Scope	2016 definition
		<p>Total of Scope 1, 2 and 3 carbon dioxide emissions (according to the GHG Protocol) covering:</p> <ul style="list-style-type: none"> <li>• Scope 1 - Direct combustion of fuels and company-owned vehicles including functional/fleet vehicles (captured from vehicle mileage) and electricity from gas combustion (metered);</li> <li>• Scope 2 - Purchased electricity from Eskom (metered and calculated); and</li> <li>• Scope 3 - Business travel including local and international flights; car hire (captured from service providers) and employee kilometre claims.</li> </ul> <p>Rest of Africa data is only included in the diesel, electricity and flights data used in the calculation of the carbon footprint.</p>
<b>Conduct</b>		
Employees completing a code of conduct (the Barclays Way) attestation (%)	Barclays Africa	The number of existing employees who completed the Barclays Way refresher training, and new employees who completed Barclays Way training, expressed as a percentage of total employees (excluding non-operational employees, external consultants, interns, managed service contract workers and on-call contract workers) as at 31 December 2016.
Employees completing Conduct Risk College Foundation training (%)	Barclays Africa	The number of employees who have completed Conduct Risk College training, expressed as a percentage of total employees (excluding non-operational employees) as at 31 December 2016.
Employees completing Fighting Financial Crime training (%)	Barclays Africa	The number of existing employees completing Fighting Financial Crime refresher training, and new employees who have completed Fighting Financial Crime training, expressed as a percentage of the total number of employees (excluding non-operational employees) as at 31 December 2016.