

Barclays Group

**STATEMENT ON
HUMAN RIGHTS**

December 2010

BARCLAYS GROUP STATEMENT ON HUMAN RIGHTS

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BARCLAYS GROUP STATEMENT ON HUMAN RIGHTS

1.0 Objectives and rationale

This Statement aims to achieve a consistent, complete and recognisable approach to upholding human rights across the Barclays Group that will:

- **Provide employees with guidance on the extent of our responsibilities**
- **Contribute towards compliance with human rights legislation/standards**
- **Support Barclays objective to be a leading company in terms of sustainability**
- **Demonstrate to key stakeholders that Barclays manages our human rights impacts, risks and opportunities effectively**

Human Rights can be defined as basic rights that form the foundation for freedom, justice and peace and which apply equally and universally in all countries.

As a company we have clear responsibilities to support governments and civil society organisations in upholding human rights principles, wherever we operate. Although there is no definitive consensus on the boundaries of corporate responsibility in respect of human rights, we need to ensure that we are not involved in human rights violations, either directly or indirectly and that we operate in accordance with the Universal Declaration of Human Rights (UDHR) and take account of other internationally accepted human rights standards, eg: the OECD Guidelines for Multinational Enterprises and the International Labour Organisation (ILO) Core Conventions (*see appendix 1*).

In addition to this we should promote human rights through our employment policies and practices, through our supply chain and through the responsible use of our products and services. The promotion of human rights through our business activities forms part of our broader objective to be a leader in sustainability.

While it is incumbent upon governments to draft and implement national legislation to promote human rights, the extent to which it is implemented through national legislative frameworks varies significantly between countries. This Statement draws together the policies principles and standards relevant to all parts of the Barclays Group in respecting and promoting human rights. Where local legislation imposes more rigorous requirements, Group operations in those countries must ensure that they comply with such requirements while having regard to the content of this Statement.

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2.0 Scope of application and intended audience

- The Statement applies to all Barclays business areas and central functions.
- Where local legislation is more stringent, local requirements will apply in addition to this Statement.
- Where local legislation may conflict with the Barclays policies and practices contained in this Statement, we will comply with the law but seek, within our spheres of influence, to raise awareness of human rights and provide an example of good practice through our own business conduct.
- This Statement will be a reference point when assessing and managing business relationships with employees; customers; suppliers; sub-contractors; and joint venture partners.
- It is impossible to provide a prescriptive list of all activities Barclays business areas need to undertake in conjunction with human rights. This Statement should be viewed as minimum guidance with business units providing additional control around the principles and policies laid out in this document as they see fit for the circumstances of their business.

3.0 Human Rights Principles and Responsibilities

3.1 Barclays Human Rights Principles

The following principles are aspirational. They outline Barclays desire to respect and promote human rights within our spheres of influence:

1. **We will create a universal employment environment that promotes and protects the rights of the individual.**

Wherever we operate we will seek to reflect human rights in our employment policies and practices. We will also seek to influence others through association or commercial transactions wherever appropriate.

2. **We will not be complicit, either directly or indirectly in the condoning of human rights violations.**

In defining those states or organisations with whom commercial transactions would contribute to human rights violations, we will be informed by United Nations Security Council Resolutions. We will comply with any United Nations, US, UK and European Union financial sanctions including those arising from alleged breaches of human rights. We will take steps to understand the potential human rights impacts of the organisations, projects and activities we support.

3. **We will be a positive corporate role model.**

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We will be a positive role model in terms of the way in which we conduct our business globally across a range of business activities. In particular we will promote human rights by contributing to the development and maintenance of accessible and reliable financial and economic infrastructure.

- 4. Where we discover, or are made aware, that we have been associated with human rights violations we shall take steps to remedy the situation, taking account of the interests of those whose rights are being violated.**

In cases where we discover that we are associated with violations of human rights we will take appropriate action in mitigation. This may include exiting a particular business relationship, or constructive engagement with others to promote good practice.

3.2 Our responsibilities as an employer

Employment aspects of human rights are implemented and tracked through Barclays human resources policies and practices.

1. Each business area has employment policies and practices in place which cover Barclays duties as an employer. Many of these promote human rights either directly or indirectly and are consistent with, or go further than, relevant UDHR articles. The policies and practices cover a range of issues including:
 - Diversity and Inclusion
 - Discipline and Grievance
 - Bullying and Harassment
 - Recruitment and Development
 - Pay and Remuneration
 - Performance Development
 - Health and Safety
 - Raising Concerns (“whistleblowing”)
2. This Statement outlines a minimum standard based on the UDHR and is not a substitute for the requirement to comply with national and local employment legislation or Barclays own employment policies and practices, where they exceed UDHR/ILO standards.
3. Where local legislation prohibits us as an employer from upholding certain aspects of the UDHR or Barclays own policies, we will comply with local legislation while seeking to find alternative means of complying with the spirit of human rights principles.
4. Where our role as an employer may associate Barclays in any way with actual or perceived human rights violations the issue should be referred to the Group Brand and Reputation Committee.

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3.3 Our responsibilities as a provider of financial services

This section should be read in conjunction with the relevant Group Policies/guidance on the following issues:

- Anti-Money Laundering
 - Sanctions
 - Anti-Bribery and Anti-Corruption
 - Gifts and Entertainment
 - Defence Sector (and other sector specific guidance)
 - Environmental Management
 - Environmental and Social Impact Assessment (ESIA), including adherence to the Equator Principles
 - Raising Concerns (“whistleblowing”)
1. When assessing customers’ financial propositions generally, relationship managers should consider any relevant, material human rights aspects. In particular, it is important that all substantial loans to finance public or private sector projects, corporations or governments are reviewed for potential human rights impacts as part of the assessment/sanctioning process.
 2. Provision of project finance must be consistent with Barclays own ESIA policy and with the Equator Principles, which include specified human rights/social risk management criteria.
 3. New financial products and services developed should be consistent with Barclays human rights aspirations. Any risks or opportunities in this area should be evaluated.
 4. Where our involvement may associate Barclays with actual or perceived violations of human rights, the issue should be referred to the Group Brand and Reputation Committee.

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3.4 Our responsibilities for purchasing and sourcing

This section should be read in conjunction with Group Policies/guidance on the following issues:

- Sourcing
 - Anti-Bribery and Anti-Corruption
 - Gifts and Entertainment
 - Outsourcing
 - Security
1. Sourcing management has a responsibility to establish whether key suppliers, sub-contractors or agents are associated with adverse human rights impacts, either directly eg: via environmental or employment performance, or indirectly eg: via close association with governments or other organisations known to have a poor human rights record.
 2. Sourcing management has a responsibility to establish whether key suppliers, sub-contractors and agents uphold accepted employment principles eg: by requesting copies of employment, health and safety policies and associated management and monitoring systems.
 3. Barclays expects suppliers to meet acceptable standards as a condition of outsourcing service functions.
 4. Contracts with security services providers should be consistent with the United Nations Code of Conduct for Law Enforcement Officials (1979).
 5. Any key supplier, sub-contractor or agent who is not able to demonstrate that they uphold accepted employment principles should be identified and appropriate action taken. This does not necessarily mean they should automatically be de-listed but does require a more detailed investigation to be undertaken as a condition of continued business.

The overriding factor in continuing to source from any organisation which may be associated with adverse human rights impacts will be consideration of the interests of any parties whose rights may be affected.
 7. We should not undertake any sourcing transaction which may conflict with sanctions imposed by the United Nations, US, UK, the European Union or other legitimate regional bodies.
 8. All cases where Barclays may be linked with actual or perceived human rights violations through sourcing activities should be referred to the Group Brand and Reputation Committee.

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**3.5
Our responsibilities
to communities**

- 1. We will seek to understand and manage appropriately the impacts that our business may have on the communities with which we interact, including human rights impacts.
- 2. We will seek to promote civilised, stable and open society by upholding high standards of business conduct, including refraining from giving or receiving bribes or any unauthorised payments.
- 3. We will be guided by and contribute to upholding human rights when selecting communities or organisations to support eg: through charitable donations.
- 4. We will work with human rights groups and other organisations to share information on human rights issues (within legal constraints) and monitor/implement best practice management procedures.

**4.0
Governance**

The Group Brand and Reputation Committee will ensure that the content of this Statement and its associated monitoring and management systems are reviewed and revised as necessary to reflect current human rights requirements and expectations.

**4.1
Date adopted:**

June 2004

**4.2
Date last reviewed:**

December 2010

**4.5
Responsibility for
document
management:**

Public Affairs



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APPENDIX 1

Key documents and sources of information

Universal Declaration of Human Rights (UDHR)

On December 10, 1948 the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights. It is supported by two International Covenants:

The International Covenant on Civil and Political Rights 1966 which covers civil and political rights such as the right to life, the right to body integrity, the right to liberty and security, the right to a fair trial, the right to privacy, the right to freedom of thought, conscience and religion, opinion, expression, peaceful assembly and association.

The International Covenant on Economic, Social and Cultural Rights 1966 which covers economic, social and cultural rights such as the right to work, the right to an adequate standard of living (food, clothing and housing) and the right to physical and mental health.

<http://www.un.org/Overview/rights.html>

<http://www.ohchr.org/english/law/cescr.htm>

<http://www.ohchr.org/english/law/ccpr.htm>

International Labour Organisation

The ILO is devoted to advancing opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Its main aims are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue in handling work-related issues. The ILO develops relevant conventions and recommendations.

http://www.ilo.org/global/About_the_ILO/lang-en/index.htm

OECD Guidelines for Multinational Enterprises.

The [Guidelines](#) are recommendations addressed by governments which relate to multinational enterprises operating in or from adhering countries. They provide voluntary principles and standards for responsible business conduct in a variety of areas including employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation

<http://www.oecd.org/dataoecd/56/36/1922428.pdf>

Business and Human Rights Resource Centre

The Business and Human Rights Resource Centre website is updated hourly with news and reports about companies' human rights impacts worldwide – positive and negative. The website covers the social and environmental impacts of over 5,000 companies, operating in over 180 countries. Taking international human rights standards as its starting point, topics covered include discrimination, environment, poverty and development, labour, access to medicines, health and safety, security, and trade.

<http://www.business-humanrights.org/Home>

UN Special Representative on Business and Human Rights

The UN Commission on Human Rights (UNCHR) – superseded by the Human Rights Council - adopted a resolution in 2005 requesting the UN Secretary-General to appoint a special representative on the issue of human rights and business, with the following mandate:

- (a) To identify and clarify standards of corporate responsibility and accountability for transnational corporations and other business enterprises with regard to human rights;
- (b) To elaborate on the role of States in effectively regulating and adjudicating the role of transnational corporations and other business enterprises with regard to human rights, including through international cooperation;
- (c) To research and clarify the implications for transnational corporations and other business enterprises of concepts such as “complicity” and “sphere of influence”;

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- (d) To develop materials and methodologies for undertaking human rights impact assessments of the activities of transnational corporations and other business enterprises;
- (e) To compile a compendium of best practices of States and transnational corporations and other business enterprises.

The designated representative, John Ruggie, proposed a framework on business and human rights to the UN Human Rights Council in June 2008, resting on three pillars:

- the state duty to protect against human rights abuses by third parties, including business;
- the corporate responsibility to respect human rights;
- and greater access by victims to effective remedy, both judicial and non-judicial.

The Human Rights Council unanimously approved the Framework in 2008. A brief explanation of the Framework is available via the link:

<http://www.reports-and-materials.org/Ruggie-protect-respect-remedy-framework.pdf>

Also in 2008, the Human Rights Council extended the Special Representative's mandate until 2011 with the task of "operationalising" and "promoting" the Framework.

In November 2010, John Ruggie proposed draft "Guiding Principles for the Implementation of the 'Protect, Respect and Remedy' Framework". The Guiding Principles text was issued as a consultation document for comment by all stakeholders by end January 2011. Once finalised, it will be submitted to the UN Human Rights Council for final opinion in June 2011.

<http://www.business-humanrights.org/SpecialRepPortal/Home/Protect-Respect-Remedy-Framework/GuidingPrinciples>

Membership organisations

UN Environment Programme Finance Initiative (UNEP FI)

Barclays is a longstanding member of UNEP FI, which has over 190 finance sector members worldwide, and contributes to a range of related projects, including the work of the UNEP FI human rights work stream. Outputs include an online Human Rights Guidance Tool for the Financial Sector, which provides information to lenders on human rights risks, and an associated CEO briefing. The tool includes background information/context, specific issues relating to different industry sectors, key questions to assist in impact assessment and relevant international laws, standards and initiatives

<http://www.unepfi.org/humanrightstoolkit/index.php>

The Wolfsberg Group

Barclays is a member of The Wolfsberg Group, an association of eleven global banks, which aims to develop financial services industry standards, and related products, for Know Your Customer, Anti-Money Laundering and Counter Terrorist Financing policies.

<http://www.wolfsberg-principles.com/index.html>

Transparency International (TI)

Barclays is a corporate member of Transparency International UK. TI is a non-governmental anti-corruption organization with more than 90 chapters worldwide. It raises awareness about corruption, advocates legal and regulatory reform at national and international levels, and designs practical tools for institutions, individuals and companies wishing to combat corruption. It is a leading centre of anti-corruption expertise in the UK.

<http://www.transparency.org.uk/>

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APPENDIX 2

International Labour Organisation (ILO) Core Conventions

The ILO has eight core or fundamental conventions. These are:

- Freedom of Association and Protection of the Right to Organise Convention, 1948
- Right to Organise and Collective Bargaining Convention, 1949
- Forced Labour Convention, 1930
- Abolition of Forced Labour Convention, 1957
- Equal Remuneration Convention, 1951
- Discrimination (Employment and Occupation) Convention, 1958
- Minimum Age Convention, 1973
- Worst Forms of Child Labour Convention, 1999

Barclays is committed to respecting and upholding these conventions.

We do not employ children under 16 and we do not employ forced labour.

Barclays recognises unions and staff associations in over 20 countries worldwide. In particular, in the two largest markets by employment - the UK and South Africa - Barclays has reached progressive "partnership" agreements with its recognised trade unions.

Barclays supports the rights of employees to engage in lawful trade union activities and will comply with relevant legislation in each of the countries in which we operate.

In a survey by Union Network International (UNI - a global confederation of unions) in 2007, Barclays was rated top among 25 major financial institutions in respect of union rights and freedom of association.

Where unions do not exist, Barclays will strive to ensure colleagues are informed and consulted through alternative means, for example through the establishment of works councils, staff associations and/or through direct employee engagement.

Our Diversity Charter sets out our commitment to equal opportunities and diversity in the workplace.