

6th August 2019

Barclays.com

Mr Johan Frijns
Director
BankTrack
By email to johan@banktrack.org

Dear Mr Frijns,

Thank for your letter dated 29 July 2019 and your continued interest in the Principles for Responsible Banking. As you are aware, the Principles are ambitious and aspirational, and they contain a strong commitment to transparency, accountability and impact. They have been developed by a group of 30 Founding Banks as a pro-active, industry-led response to what we recognize is a need to transform the global economy with urgency. Their purpose is to provide signatory banks with guidance and one comprehensive and voluntary industry framework to support each bank's approach to addressing sustainable development across its entire business.

Given the need to align the activities of banks with society's needs, signatory banks are expected to start implementing the Principles immediately after signing up. Given the diversity of the banks around the world that have and are expected to adopt the Principles, flexibility is needed to allow progress at the appropriate pace for the markets in which each bank operates, and based on each bank's respective prior experience in the area of sustainable development. This approach allows for future signatory banks to benefit from the practical experiences of the Founding Banks as well as from other stakeholders such as research centres and experts, and through the network community created by the UNEP Finance Initiative.

In an effort to encourage the industry's overall alignment with the Principles and to encourage banks that are newer to the process to take the steps to join the initiative, the Founding Banks that developed the Principles arrived at an implementation timeframe of 4 years, which was felt realistic and achievable for a wider group of institutions. For Barclays, as a Founding Bank that is already actively pursuing these ambitions, our alignment is well underway.

Development of the Principles included a six-month consultative process, in which more than 500 stakeholders provided valuable feedback, including BankTrack. As a result, more than 100 banks are now poised to become signatories at the formal launch of the Principles in September 2019. With this number of initial banks committed to supporting the achievement of the Sustainable Development Goals and the Paris Agreement for climate change, we sincerely hope significant impacts will be realized around the globe.

The Founding Banks recognized the importance of transparency and reporting to our various stakeholders, and that is why the implementation of a strong reporting and self-assessment mechanism is integral to the Principles. In order to fairly and comprehensively share our progress against all six Principles with all our stakeholders, we will be disclosing our activities comprehensively as per the timeline and requirements embedded in the Principles.

We look forward to sharing with you and our other stakeholders, in our public reporting in early 2020, how our activities align with the Principles and our journey towards further implementation. We encourage you and our other stakeholders to review this public reporting, so that you are aware of the impacts we will be working to realize.

Thank you again for your interest in the Principles for Responsible Banking, and for your positive contribution to the public consultation process that contributed to their development.

Your sincerely,

A handwritten signature in black ink, appearing to be 'E Palanza', with a long horizontal stroke extending to the right.

Elsa Palanza
Global Head of Sustainability & Citizenship