Sustainable Finance Framework

Version 5.0 / February 2026

BARCLAYS

Contents

1. Approach to tracking performance against our sustainable finance target

As a financial institution supporting the global economy, Barclays has an important role to play in working with our customers, clients and communities as they navigate the opportunities and challenges of the transition to a low-carbon economy. We are delivering on our ambition to be a net zero bank by 2050 by working with clients on their transition, providing finance in relation to our clients' transition and scaling climate technology.

1.1 Purpose of the Sustainable Finance Framework

The Barclays Sustainable Finance Framework (the "Framework") sets out our methodology for classifying finance as sustainable for the purpose of tracking and disclosing our performance against our target to facilitate $1 trillion of Sustainable and Transition Finance between 2023 and end of 2030 (the "**Target**"). We are committed to being transparent about our definitions and approach to reporting against our Target.

Barclays has also published a Transition Finance Framework. This sets out our methodology for classifying finance as "transition" for the purpose of tracking and disclosing our performance against our Target. The Transition Finance Framework is complementary to this Framework.

1.2 General principles

Scope: This Framework applies to all Barclays businesses globally.

Application: This Framework is designed to enable the classification and tracking of performance against our Target.

In this Framework, the term "sustainable finance" includes green, social, sustainability and sustainability-linked finance (including, without limitation, M&A advisory services) and in relation to financings, includes both specific purpose and general purpose financings. The product table in Section 4 below provides a non-exhaustive list of qualifying sustainable finance products.

This Framework also serves to guide the development of green and social themed products which reference specific dedicated green or social purpose finance. Specific product propositions may then reference this Framework.

Classification practices: In developing and applying this Framework, Barclays has drawn on industry guidelines and principles, including the following[1]:

[1] Please note that these industry guidelines and principles (as updated from time to time) may be applied to specific transactions, services and/or products (where applicable) on a case by case basis. However, unless so specified, they are not required to be applied for a specific transaction, service and/or product to be eligible as sustainable for the purpose of this Framework.

- Loan Market Association (LMA)/Asia Pacific Loan Market Association (APLMA)/Loan Syndications and Trading Association (LSTA)
  - Green Loan Principles (GLP)
  - Green Loan Principles Guidance (GLPG)
  - Social Loan Principles (SLP)
  - Social Loan Principles Guidance (SLPG)
  - Sustainability Linked Loan Principles (SLLP)
  - Sustainability Linked Loan Principles Guidance (SLLPG)
- Climate Bonds Initiative (CBI)
  - Climate Bonds Standard (CBS)
  - Climate Bonds Resilience Taxonomy
- Climate Resilience Classification Framework by United Nations Office for Disaster Risk Reduction (UNDRR)
- World Bank Group Note of Nature Finance Tracking Methodology
- World Bank Group MDB Common Nature Finance Taxonomy
- International Chamber of Commerce (ICC)
  - Principles for Sustainable Trade and Trade Finance
- International Swaps and Derivatives Association (ISDA)
  - Guidelines for Sustainability-Linked Derivatives
- International Capital Markets Association (ICMA)
- Green Bond Principles (GBP)
- Social Bond Principles (SBP)
- Sustainability Bond Guidelines (SBG)
- Sustainability-Linked Bond Principles (SLBP)
- Sustainability-Linked Bond Principles Guidelines (SLBPG)
- Sustainable Bonds for Nature: A Practitioner's Guide
- EU Taxonomy for Sustainable Activities[2]
- International Finance Corporation
  - Biodiversity Finance Reference Guide
  - Guidelines for Blue Finance
  - Global Impact Investing Network's (GIIN) IRIS+ (Impact Reporting and Investment Standards) Thematic Taxonomy
- Taskforce for Nature-related Financial Disclosures
  - Additional sector guidance – Construction materials

[2] The requirements related to "Do Not Significant Harm (DNSH) and Minimum Safeguards (MS) are not applied in this context.

Eligible types of finance: This Framework sets out the types of finance which are eligible as sustainable for tracking and disclosing our performance against our Target, which include:

- **Dedicated purpose financing** where the use of proceeds satisfies either the green or social eligibility criteria (or in the case of sustainable, a combination of green and social criteria)
- **Sustainability-linked financing** which meet the criteria set out in Section 1.3. Note that sustainability-linked financing is not dedicated purpose and is not required to satisfy either the green or social eligibility criteria
- **General purpose financing** where the counterparty entity satisfies the criteria set out in Section 1.3
- **Other types of finance (including advisory services) based on entity criteria** where the counterparty entity satisfies criteria set out in Section 1.3

Barclays may recognise transactions against the Target by reference to all or some of these types of eligible finance.

Assessment is determined at a point in time from the date of commencement of eligible financing, product or service. Our processes involve derecognition procedures whereby non-adherence to eligibility criteria may result in a transaction being derecognised for purposes of the Framework. This will include assessment in relation to Barclays's External Position Statements (see Section 1.4 for details).

Review process: We will review the Framework periodically, including to align (where applicable) with evolving market practices and guidelines. Updates to this Framework will be effective from the Effective Date (see Section 1.5 for details), unless otherwise specified, and are not applied retrospectively to prior full year reported sustainable finance performance against our Target.

In version 5.0 of this Framework, we have made several changes to product scope, eligibility criteria and transaction screening processes. This includes:

- Broadening product scope to include additional financing products (securities financing and fund financing) and M&A advisory services (reflecting a more comprehensive view of the solutions we provide across our global franchise);
- Updating the approach to broader screening of material environmental and social factors for qualifying transactions and clients;
- Introducing a reference to the potential derecognition of transactions;
- Removing pro-rata eligibility for General Purpose financing between 50 to 90%; and
- Updating technical eligibility criteria to include a wider range of nature-related eligibility criteria, working in partnership with an external technical advisor on nature[3].

[3] The Biodiversity Consultancy (TBC) provided advice to Barclays during the version 5 update of the Framework. Specifically, TBC advised on what activities can contribute to the targets of the Kunming-Montreal Global Biodiversity Framework (GBF) and recommended the inclusion of activities not included in the previous versions. TBC brings deep, hands-on experience in shaping globally recognised biodiversity reporting standards, including with the Taskforce for Nature-related Financial Disclosures (TNFD), Nature Positive Initiative (NPI) and the International Finance Corporation (IFC).

Product scope: The Framework covers a range of products that includes M&A advisory and financing activities where financing includes (but is not limited to) debt and equity capital markets, corporate lending, trade finance and consumer lending. A non-exhaustive list of eligible products as at the date of publication of this Framework are set out in Section 4. Further products may be developed and included as specified in Section 4 and will be effective for purposes of this Framework from the date of their approval.

Progress reporting: Updates on progress against the Target are published in the Annual Report.

2017

- Sustainable Finance Framework (Version 1.0) developed with support from Sustainalytics.

2018

- Set target to facilitating £150bn social, environmental and sustainability-linked financing by 2025.

2019

- Updated Sustainable Finance Framework published (Version 2.0).

2020

- Updated Sustainable Finance Framework published (Version 3.0).
- Announced ambition to become a net zero bank by 2050 and to align our entire financing portfolio to the goals of the Paris Agreement.
- Set target of facilitating £100bn of green financing by 2030, and by investing £175m over five years in innovative green companies.

2021

- £150bn social, environmental and sustainability-linked financing target achieved.

2022

- Updated Sustainable Finance Framework published (Version 4.0).
- Announced new sustainable and transition financing target of $1 trillion by end 2030

2024

- Updated Sustainable Finance Framework published (Version 4.1)
- Transition Finance Framework (Version 1.0) developed

2025

- Updated Sustainable Finance Framework published (Version 4.2)
- Updated Transition Finance Framework published (Version 1.1)

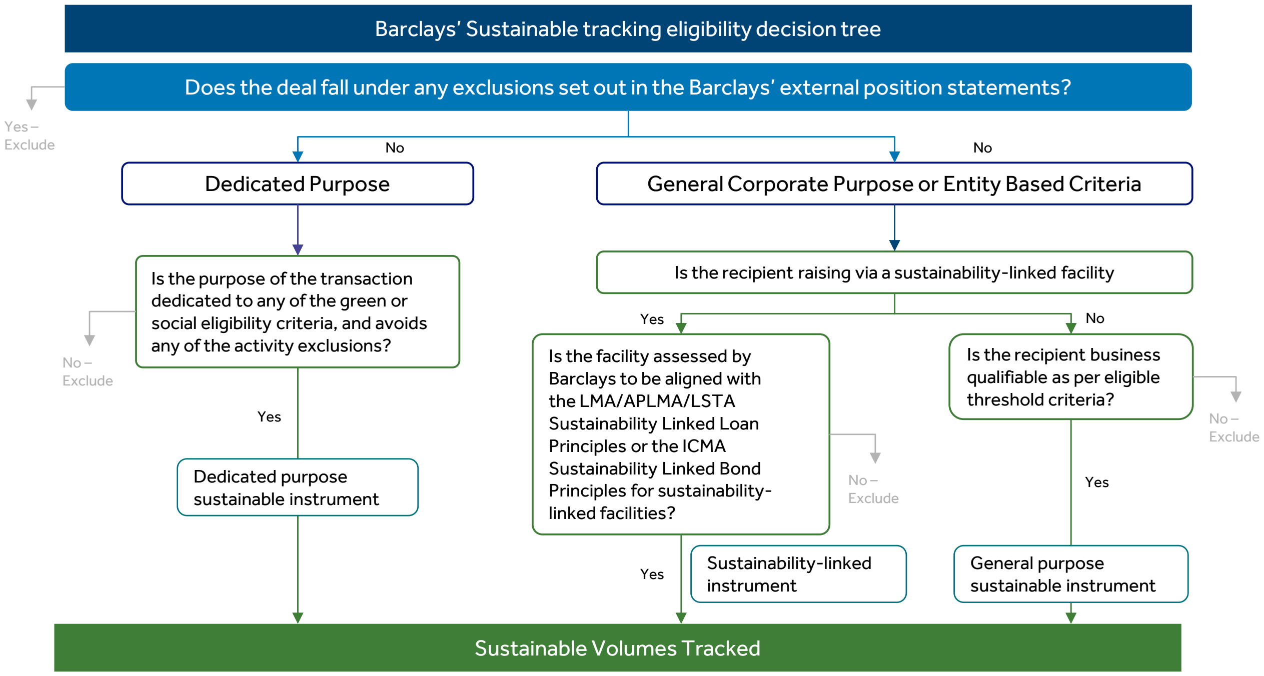
2026

- Updated Sustainable Finance Framework published (Version 5.0)
- Updated Transition Finance Framework published (Version 2.0)

1.3 Eligibility criteria

Decision tree for identifying eligible finance activity

The decision tree below sets out the process for identifying eligible sustainable finance transactions, for the purpose of Barclays' Target, across the organisation. The first step is to identify the use of proceeds of the transaction and then to include or exclude transactions using the relevant dedicated or general corporate purpose/entity based criteria pathway.



Dedicated purpose

Dedicated purpose transactions will be eligible as sustainable finance, for the purpose of our Target, if the transaction is identified as being for a dedicated purpose that (i) falls under the green or social eligibility criteria; or (ii) that falls under a combination of at least one green and one social eligibility criteria[4].

- If 100% of the transaction is directed towards eligible activities, the entire transaction is counted towards our Target; and
- If less than 100% of the transaction is directed towards eligible activities, an equivalent proportion of this transaction is counted towards our Target. For example, if 70% of the funds are directed towards eligible activities, 70% would qualify towards our Target and 30% would not qualify. The equivalent proportion calculation is based on an equally weighted allocation to each of the use of proceeds categories as per the issuer framework.

Bonds or loans identified as being for a dedicated purpose will qualify for inclusion if they meet the following criteria:

- Labelled bond/loan is aligned with the ICMA Green/Social Bond Principles, the Sustainability Bond Guidelines (including the practitioner guide for Sustainable Bonds for

[4] For the purposes of reporting against our Target, labelled green, social and sustainability bonds/loans are reviewed by a dedicated reporting team within Barclays' Global Finance function on a case-by-case basis against the relevant industry principles.

Nature) or the LMA Green/Social Loan Principles (as applicable); OR in relation to bonds, the bond has been certified under the Climate Bonds Initiative (CBI) Climate Bonds Standard (and including the Climate Bonds Resilience Taxonomy); OR

- Unlabelled loan with a dedicated use of proceeds; AND

1) The bond/loan dedicated purpose falls under the green or social eligibility criteria in Sections 2 or 3 (as applicable); OR
2) Is otherwise eligible as satisfying the green or social criteria on the basis that the dedicated purpose:
   a. Is eligible as green or social under a recognised taxonomy or framework or in relation to a recognised supranational agency its development mandate; AND
   b. Is assessed by Barclays to be credible (including a review of classification practices as per Section 1.2); AND
   c. Does not fall within the activity exclusions set out in Sections 2 and 3 of this Framework.

General purpose and other entity based criteria

General purpose financing transactions and transactions entered into with a counterparty, will also be eligible as sustainable finance for the purpose of our Target, under this Framework if Barclays determines that the transaction counterparty's core business meets one of the criteria set out below.

If the counterparty meets one of the following criteria, 100% of the relevant transaction amount is eligible for inclusion. If the entity does not meet any of the criteria set out below, none of the transaction amount will be eligible for inclusion[5].

Criteria:

1) **Counterparties that derive or dedicate greater than 90% of their business mix (measured either by revenues, value of assets or to capital expenditures) from/to 'eligible activities/assets'** listed under the green AND/OR social criteria in Sections 2 or 3 (as applicable)[6]; OR
2) **Power generator counterparties only**: Derives greater than 90% of its energy generation mix from qualified renewable energy sources listed under the green AND/OR social criteria in Sections 2 or 3 (as applicable); OR
3) **Pre-revenue counterparties only**: Dedicates greater than 90% of its Capex/R&D expenditure to 'eligible activities' listed under the green OR social criteria in Sections 2 or 3 (as applicable); OR

[5] See "volume measurement basis" in Section 4.
[6] For example, finance for a counterparty which derives 95% of its revenue from eligible green activities would be qualified as 100% sustainable finance for purposes of this Framework. Whereas finance for an organisation which derives 90% or less of its revenue from eligible green activities would (assuming no other criteria in this section are met) be qualified as 0% sustainable finance for purposes of this Framework.

4) **Non-profit healthcare, public education and affordable housing provider counterparties:** can qualify based on their registration as public school/university, charity or non-profit institute[7] [8]; OR
5) **Development Banks or Development Finance Institution counterparties:** dedicates greater than 90% of their mandates, policies and/or underlying financing to eligible activities listed under the green AND/OR social criteria in Sections 2 or 3 (as applicable).

In certain instances, the eligibility assessment may be based on a forward-looking basis and expected business mix changes rather than solely rely on historical metrics.

Advisory services are in scope and include Merger and Acquisition (M&A) buyside and sellside mandates with a counterparty that meets the criteria outlined above.

In addition, we may also include M&A transactions beyond the entity specific criteria outlined above where we determine that there is either (i) a robust strategic sustainability or transition rationale or (ii) transactions where the broader M&A advisory mandate has a clear sustainability or transition objective and in both cases the transaction relates to activities listed under the green AND/OR social criteria in Sections 2 or 3 (as applicable). These transactions will be assessed on a case-by case basis.

Sustainability-linked financing

Sustainability-linked financing instruments such as bonds, loan instruments or contingent facilities (such as bonding lines, guarantee lines or letters of credit) incentivise the borrower's achievement of ambitious, pre-determined sustainability performance targets (SPTs). Unlike green, social or sustainability financing instruments, proceeds of sustainability-linked instruments need not be attributed to green, social or sustainability objectives or projects.

For transparency, sustainability-linked financing is reported as a separate category to dedicated green and social purpose financing.

[7] Example: In the US, 501(c)(3) status should be applicable. This is the portion of the US Internal Revenue Code that allows for federal tax exemption of non-profit organisations, specifically those that are considered public charities, private foundations or private operating foundations. https://www.501c3.org/what-is-a-501c3/

[8] Additional example: In the UK, approved under the UK's Regulator of Social Housing (https://www.gov.uk/government/organisations/regulator-of-social-housing) or the FCA's Registered Societies (https://www.fca.org.uk/firms/registered-societies-introduction/co-operative-community-benefit-societies-act-2014).

1.4 Screening environmental and social factors

Barclays applies broader restrictions and/or Enhanced Due Diligence requirements for specific sensitive sectors with material environmental and social exposures[9] as set out in our External Position Statements[10].

These statements may from time to time refer to this Framework (for example, to include additional eligibility criteria for certain sensitive sector financings and M&A advisory under this Framework) and where this is the case, the provisions of this Framework should be read together with the provisions in the External Position Statements.

In addition to the restrictions and enhanced due diligence requirements for specific sensitive sectors as set out in our External Position Statements, we will also screen for significant environmental and social risks associated with specific transactions or clients in sectors and/or jurisdictions when they are classified as sustainable or transition finance (including but not limited to the power and utilities, energy, water and waste management, paper and forest products, and food and agribusiness).

Screenings of transactions that do not pass our internal procedures and checks will be escalated internally and may not be included against our Target unless or until appropriate mitigants are implemented to our satisfaction.

1.5 Effective date

This Framework is valid from the date of publication and will be applied to eligible sustainable finance entered into on or after 1 January 2026 on the basis set out in this Framework, and subject to internal governance.

[9] This may also include screening for material adverse or negative impacts on nature (this could include conversion of critical habitat and negative leakage – e.g., where forest carbon projects displace conversions of natural habitats to adjacent areas), as well as activities that could substantially undermine other environmental or development efforts. Where appropriate, additional case-by-case screenings may be carried out in line with recognised international best practices, such as the IUCN Global Standard for Nature-based Solutions.
[10] home.barclays/sustainability/esg-resource-hub/statements-and-policy-positions/.

2. Green eligibility criteria

This section sets out eligible green activities including any specific exclusions applicable to a particular activity which would mean it is not eligible as a green activity. It also sets out:

1) the relevant Sustainable Development Goals (SDGs) for each sub-theme on a best-efforts basis, focusing on the primary SDG contribution from each activity; and

2) the 'nature-eligibility' of activities – those that can contribute to at least one target of the Global Biodiversity Framework (GBF) and that go beyond minimum legal requirements for compensation of negative impacts[11]. These activities are marked with a icon.

Energy efficiency

Sub-themes	Eligible activities	Activity exclusions
Commercial and residential buildings 6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES	**Building level** • Development[12], acquisition, retrofit and/or refurbishment of new or existing energy efficient buildings with an Energy Performance Certificate (EPC) rating of A or B or Environmental Impact Rating (EIR) of A or B • Development, acquisition, retrofit and/or refurbishment of new or existing buildings achieving a rating of LEED Gold or above, BREEAM Excellent or above[13], or other equivalent internationally recognised green building certification schemes, complying with a recognised threshold set by the Climate Bond Initiative[14], or otherwise evidenced to be performing in the top 15% of buildings in the relevant market • Retrofit of existing buildings achieving a minimum 30% energy and/or carbon emission reduction or energy efficiency after retrofit is within the top 15% of buildings in the relevant market • Projects that significantly reduce the embodied carbon (e.g., through reduced use of water, cement, steel, plastics, aluminium, glass) in construction and/or operation[15] **System level[16]** • **Energy efficiency measures:** including tank and pipe insulation; draught proofing; loft insulation; low-	• Buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels • Energy efficiency measures intended for processes that are inherently carbon-intensive, such as production processes within heavy industries • Improvements in appliances and equipment primarily using fossil fuel so as to avoid lock-in of fossil fuel consumption. Activities which result in fuel switching are eligible • Cogeneration systems applied to the fossil fuel industry • Cogeneration plants, CHP units and boilers

[11] Where the activity primarily supports climate change mitigation and would not contribute to the GBF unless a specific measure(s) modified the activity, these are not marked as 'nature-eligible'. It is however worth noting that differentiating between climate and nature finance is challenging, and our approach may be updated and amended from time to time as market and industry practice evolves.

[12] For new buildings under construction, a Predicted Energy Assessment (PEA) is sufficient evidence to classify the building under this Framework.

[13] For building projects where the implementation of green practices has not reached the desired level because of barriers stemming from country-related factors as well as factors related to design and technology, Barclays may allow one level below the levels specified above (e.g., BREEAM Very Good).

[14] https://www.climatebonds.net/standard/buildings.

[15] Including reuse of construction waste, use of recycled materials, substitution with sustainably produced / sourced bio-based materials or biodegradable/compostable materials. Including reuse of construction waste, use of recycled materials, substitution with bio-based materials or biodegradable/compostable materials.

[16] Adapted from the Green Finance Institute - Green Home Retrofit Finance Principles (GHRFP): http://www.greenfinanceinstitute.co.uk/ghrfp/.

Sub-themes	Eligible activities	Activity exclusions
	energy lights; insulation to existing envelope components with low thermal conductivity such as external walls, roofs, lofts, basements and ground floors (including measures to ensure airtightness and reduce the effects of thermal bridges); cavity wall insulation; internal wall insulation; double, triple and secondary glazing; insulated render; external wall insulation; energy efficient external doors; triple panel radiators (where appropriate and needed to make up efficiency shortfall to allow properties to be heat pump-ready); in-building works to allow for connection to district heating if in a relevant zone (heat interface units, pipes, valves, controls); use of low-embodied carbon insulation materials like hemp or wood fibre, if compliant with PAS 2080 standards; building automation measures such as occupancy sensors, daylight and other sensors such as overall Building Energy Management Systems (BEMS) and energy management software • **Heating measures:** including electric air source heat pumps; electric ground source heat pumps; micro combined heat and power (micro-CHP)[17]; electric boilers/heaters; heating controls; replacement of old pumps with efficient electric circulating pumps; installation and replacement of heating, ventilation and air conditioning (HVAC) and domestic hot water systems with more efficient systems • **Retrofitting measures:** including retrofitting work such as solid wall insulation, solar panel, loft insulation, cavity wall insulation, window insulation, floor insulation, where the post retrofitting leads to improvement in the end-user energy efficiency • **Renewable energy generation:** including solar hot water; solar photovoltaic; batteries and rainfall capture • **Resilience measures:** including BS 851188 standard products to enhance resistance to flooding such as flood doors and windows or demountable barriers; measures to enhance resilience to flooding such as resilient wall and floor finishes; resilient insulation and measures to enhance resistance to heatwaves such as external shutters and external insulation • **Water efficiency measures** with reduced water consumption or increased water recycling, including indoor water-efficient fixture and fittings and outdoor water-efficient landscaping, including building certifications requiring significant reduction in water use (≥20% where water consumption is material[18]) • Integration of biodiversity and nature-based solutions in the built environment, using native species to	powered by coal, oil or natural gas • Systems and measures to provide water for fossil fuel operations, fracking, and mining • New construction and existing road infrastructure retrofits, including roads, road bridges and parking facilities

[17] Micro-CHPs are limited to those powered by CSP/solar thermal or biomass waste, or geothermal energy/bioenergy with emissions below 100 gCO_2e/kWh.
[18] The 20% threshold applies to large users of water, e.g., industrials, agriculture, large hospitals and other buildings. SMEs would typically not qualify as material water users and therefore proof that the measures are implemented may be enough. Monitoring of SMEs can take a range of approaches e.g., incentivising installation of water metres; measuring water use against previous use or regional baseline.

Sub-themes	Eligible activities	Activity exclusions
	enhance and restore urban biodiversity. Benefits can include improved resource efficiency, mitigate heat island effects, reduced air pollution, improved resilience to climate extremes, enhanced water retention, reduced soil compaction and health benefits for people. Examples include green roofs, permeable pavements / surfaces, vegetation barriers and green walls, rain gardens, bioswales, canals, ponds **Service level** • Purchase and installation of energy efficient equipment and technology to increase the operational energy efficiency. Examples could include LEDs or smart lighting solutions or smart meters • Heat network readiness works (heat interface units, pipes, valves, controls) • Collaboration financing for connecting to a wider district heating schemes based on renewable sources as defined in this Framework. Examples could include services to facilitate building-level connections where heat networks are upgraded/expanded • Provision of infrastructure for electric vehicles. Examples could include electric charging stations (must be domestic chargers and not 'destination' charge) **R&D/technology application** • Researching and developing materials, products, and methods intended to reduce the direct drivers of biodiversity and ecosystem services loss in construction • Applying technologies and design strategies that reduce total material use per unit of construction (e.g., replacing traditionally manufactured bricks with hollow bricks, prefabrication, sasobit additives with warm and hot mix asphalt, reduced asphalt use)	
Public services	• Installation of energy efficient equipment and technology to increase the operational energy efficiency of utilities and other public services. Examples could include LEDs or smart lighting solutions, smart meters and peak demand management technology • Improvement of heat efficiency of district heating or cooling generation and distribution networks. Examples include the rehabilitation of electric powered district heating systems, heat-loss reduction and/or increased recovery of wasted heat, construction and maintenance of distribution network primarily (> 50%) powered by renewables, waste heat or both. For projects involving heat and cooling generation (utility) and transmission infrastructure directly connected to a power generation plant, 100% of generation will be from renewables or industrial waste heat	• Fossil fuel-based power plants (coal, oil, natural gas) • Projects with waste heat from fossil fuel production and operations • Measures applied to production processes that rely on fossil-fuel • Measures applied to production processes in heavy industries, such as steel, cement, aluminium

Sub-themes	Eligible activities	Activity exclusions
	• Retrofit of renewable energy power plants that meets the criteria under the Renewable energy category Bioremediation of wastes instead of landfill disposal, using biological microorganisms to mitigate pollution	
Transmission and distribution systems	• Development, manufacture, installation and maintenance of technologies aimed at enabling efficient transmission and distribution. Examples of technologies include smart grid components, smart meters, monitoring and control automation devices and communications and sensor technologies such as Wide Area Monitoring System	• Energy efficiency improvements to transmissions lines directly connected or dedicated to fossil fuel power
Industrial processes and supply chains	• Upgrades and improvements to industrial and manufacturing processes that are proven to increase energy efficiency of industrial processes • Manufacture and provision of technologies, equipment and software specifically designed to enable improvement in energy efficiency such as demand management technologies • Industrial/utility energy efficiency improvements involving changes in processes, reduction of heat losses and/or increased waste heat recovery. This includes the installation of cogeneration plants, powered by renewables[19]	• Projects to improve the energy efficiency of fossil fuel production and/or distribution • Projects from waste heat from fossil fuel production/operation • Industrial processes which are inherently carbon intensive such as steel, aluminium and cement production or primarily driven by fossil fuels • Cogeneration plants powered by coal, oil or natural gas
Energy efficiency technologies	• Development, manufacture and/or installation of energy efficiency technologies and products such as efficient appliances, LED lighting	• Technologies that increase the energy efficiency of fossil fuel production and/or distribution or lock-in the use of fossil fuel-based technologies and products • Equipment designed and applied to production processes in heavy industries, such as steel, cement, aluminium
Information and Communications Technology (ICT)	• Design, development, construction, acquisition and operation of energy-efficient data centres with power usage effectiveness (PUE) at or below 1.5	

[19] Where renewables are as defined by this Framework.

Renewable energy

Sub-themes	Eligible activities	Activity exclusions
Electricity generation	The generation of electricity and its dedicated supporting infrastructure for: • Wind power • Solar photovoltaic (PV) • Geothermal power with a direct emissions threshold of <100 grams of CO_2/kWh • Biomass or biogas power with life cycle GHG emission intensity below 100gCO_2e/kWh[20] [21] • Marine renewables, including tidal and ocean power facilities • Hydropower[22]: – Run-of-river hydropower without artificial reservoir or low storage capacity – For hydropower facilities that became operational before the end of 2019: Lifecycle emissions of the project and the emissions from decaying organic matter are <100gCO_2/kWh or the power density of the dam is >5 W/m^2 – For new hydropower facilities that became operational after the end of 2019: lifecycle emissions of the project and the emissions from decaying organic matter are <50gCO_2/kWh or power density of the dam is >10W/m^2 • Removal or modification to dams to restore and/or maintain freshwater connectivity, hydrological and environmental flows, and enhance water quality • The construction and operation of a facility used for cogeneration of heat/cooling and power from renewables[23] • Facilitation of long-term and project-specific renewable energy procurement including physical power purchase agreements (PPAs), virtual power purchase agreements (VPPAs) and renewable energy certificates (RECs)[24] • Integration of nature-based solutions into energy infrastructure (phytocapping, reforestation and revegetation, natural fibre matting, use of quarry lakes, building green roofs) that go beyond mitigation requirements	• Application of renewable energy technology in processes from the fossil fuel industry • Marine renewable projects with fossil fuel backup (not limited to power monitoring, operating and maintenance equipment, as well as resilience or protection measures/restart capabilities) • Bioenergy production that competes with food production or causes deforestation or land conversion • Biomass or biogas from non-certified crops for sustainable sourcing • Biomass or biogas feedstock such as animal fats, oil and other animal processing by-products including animal manure from industrial-scale livestock operations • Coal, oil or natural gas fired co-generation plants

[20] Sustainable non-food crops are defined as, among others, crops certified under the Roundtable on Sustainable Biomaterials (RSB) or ISCC Plus; soy certified under Round Table on Responsible Soy (RTRS); sugarcane certified under Bonsucro; wood certified under Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC). Additional certification schemes may be considered but should be as or more credible and robust as those listed here.
[21] For SMEs, compliance with the lifecycle emissions intensity threshold is not mandatory. However, financing will be limited to projects that involve sustainable sourcing of feedstock certified by recognised standards, such as RSB, ISCC Plus, RTRS, Bonsucro, FSC, or PEFC.
[22] For all new hydropower projects regardless of size, an environmental and social impact assessment by a credible, third-party body is required per project. There should be no significant risk, controversies or expected negative impact identified by the assessment.
[23] Where renewables are as defined by this Framework.
[24] Where renewables are as defined by this Framework.

Sub-themes	Eligible activities	Activity exclusions
Transmission and distribution of electricity	• Improvement of existing transmission systems (or other infrastructure) dedicated to connecting renewables to the grid or to facilitate the integration of at least 90% electricity from renewable sources into the grid – If the grid carries less than 90% renewable energy, but is on a decarbonisation trajectory in line with the EU Taxonomy[25], then the full financing is considered eligible – If the grid carries less than 90% renewables, but the percentage of renewables is expected to increase, a pro-rata approach will be adopted for allocation • Development of new transmission systems dedicated to connecting renewables to the grid or facilitate integration of at least 90% renewable energy sources into the grid • Distributed assets such as circuit breakers, voltage regulators intended to reduce the curtailment of renewable energy to the grid • Installation of equipment and components to increase the controllability and observability of the electricity system and to enable the development and integration of renewable energy sources	• Practices need to ensure that the best technology is used to avoid/minimise GHG emission • Transmissions lines directly connected or dedicated to fossil fuel power
Energy storage	• Construction and operation of facilities and dedicated supporting infrastructure that store electricity and return it at a later time in the form of electricity – Wholly dedicated storage systems connected to renewables as defined under "Electricity generation". Examples could include mechanical energy storage systems (pumped hydro, flywheels, compressed air energy storage (CAES), synchronous condensers) – Standalone battery energy storage systems (BESS)[26] – Thermal energy storage systems (molten salt storage, including Aquifer Thermal Energy Storage (ATES)) – Electrochemical energy storage systems (e.g., green hydrogen, green ammonia, fuel cells, supercapacitors, ultracapacitors)	• Power-to-gas projects where carbon dioxide (CO2) is sourced from fossil fuel operations

[25] Please refer to the technical screening criteria for climate mitigation (a), (b) and (c) under activity "4.9. Transmission and distribution of electricity" of the EU Taxonomy Delegated Act 2021: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf.

[26] Transmission and distribution grid to be aligned with a credible decarbonisation pathway if it meets either of the following criteria: i) the system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems; ii) more than 67% of newly enabled generation installed capacity in the system is below the emissions threshold of 100 gCO2e/kWh, measured on a life-cycle basis in accordance with electricity generation criteria, over a rolling five-year period or; iii) the average system grid emissions factor is below the threshold of 100 gCO2e/kWh, over a rolling five-year period.

Sub-themes	Eligible activities	Activity exclusions
Renewable energy technologies	• Development, manufacture[27] and/or installation of renewable energy technologies, including equipment and components for renewable energy generation. Examples could include wind turbines, solar panels, technology and equipment for the development of eligible hydro projects as defined above • Green hydrogen or green hydrogen-based synthetic fuels, including equipment and components (e.g., manufacture of electrolysers and membranes for electrolysers) for the production of green hydrogen where production is via electrolysis powered by renewable energy, where renewable energy is as defined by this Framework • Ammonia from green hydrogen • Generation of low-emission energy with reduced pollution and discarded waste (e.g., using sustainably sourced biowaste)[28] • Projects that use nature-based solutions in renewable energy projects to reduce land and sea-use change, overuse of natural resources, and provide additional biodiversity benefits (e.g., agrivoltaics, integrating vegetation supporting pollinators in solar projects, technologies and practices to reduce water use in solar farms, offshore wind farm artificial reef management)	• Power-to-gas projects where carbon dioxide (CO2) is sourced from fossil fuel operations
Heat production and thermal energy	• Concentrated solar heat & power generation (CSP), and other solar thermals where large majority of the electricity generated from the facility is derived from solar energy sources • Development and/or installation of electric heat pumps or absorption heat pumps driven by solar-heated water or geothermal-heated water	• Application of technology in the fossil fuel industry

Sustainable transport

Sub-themes	Eligible activities	Activity exclusions
Zero-emissions passenger transportation	• Vehicle, aircraft, rail or vessel fleet upgrades, which include replacement of engines with zero-emission technologies including electric, fuel cell or green hydrogen technologies[29] • Acquisition/manufacture of new or pre-owned vehicles, locomotives and vessels which are zero-direct emissions • Manufacture of lithium batteries for electric vehicles • Recover and recycle batteries from electric vehicles to reduce resource extraction and environmental impact	• Efficiency improvements involving conventional fossil fuel combustion engines • Military or combat aviation and aircrafts

[27] Such manufacturing facilities will be dedicated to manufacturing components for renewables, where renewables is as defined by this Framework.
[28] Where biomass is as defined by this Framework.
[29] Green hydrogen where production is via electrolysis powered by renewable energy, where renewable energy is as defined by this Framework.

Sub-themes	Eligible activities	Activity exclusions
Urban transportation systems and infrastructure	• Development and operation of low-carbon[30] public or mass transportation systems for land and sea[31]. This may include associated infrastructure that supports or enables eligible transportation assets • Development of infrastructure for non-motorised transport (bicycles and pedestrian mobility) • Development and/or installation of infrastructure for electric vehicles. Examples could include electric charging stations • Urban planning and development that leads to a reduction in the use of passenger cars. Examples could include creating walking communities, improving public transport connectivity or developing car-free city areas • Management of transport demand that leads to a reduction in use of passenger cars. Examples could include setting high-occupancy vehicle lanes, Information Communication Technologies (ICT) that improve asset utilisation, flow and modal shift (such as through public transport information, car-sharing schemes and telematics), smart logistics and fleet management, smart road pricing systems Integrating roadside/railside vegetation management to maximise benefits to native species and biodiversity (e.g., reducing the use of herbicide application or mowing), and implementing measures to prevent, eradicate, contain and manage invasive species, and implementation of NBS	• Development and improvement of transport links to airports • New construction and existing road infrastructure retrofits, including roads, road bridges and parking facilities • Freight trucks dedicated to the transport of fossil fuels or fossil fuels blended with alternative fuels • Self-propelled mode of transportation solely intended for leisure, such as sailing, skateboards, kayaks and canoes (excluding bicycles)
Freight transport	• Development of associated infrastructure that supports or enables the operation of electric and low-carbon rail[32] and low-carbon water transport. Examples include development of rail infrastructure, bunkering facilities for biofuels, hydrogen, ammonia and methanol and AMP infrastructure Freight transport that falls below 25 grams of CO2/tonne-km is eligible • Development, manufacturing, purchase or operation of vessels (boats, barges, ships) fully dedicated to the construction or other services of marine renewables Integration of nature-based solutions in freight transport, providing additional biodiversity benefits (e.g., constructed wetlands, bio-enhanced quays, mangrove restoration, seagrass restoration and coral reef restoration)	• Systems and infrastructure used primarily for the transportation of fossil fuels • Rail lines and operations where fossil fuels account for more than 25% of freight (by tonne-km)

[30] Low carbon is defined as below 25 grams of CO2/tonne-km for freight, below 75 grams of CO2/km for passenger cars and below 50 grams of CO2/passenger-km for passenger rail and buses.
[31] Low-carbon ships defined as fully electric or hydrogen-powered.
[32] Freight rail with an overall portfolio on average threshold <25 gCO_2/tonne-km.

Sustainable food, agriculture and forestry

Sub-themes	Eligible activities	Activity exclusions
Sustainable forestry	Commercial forests and sustainable forest management certified with FSC, PEFC or SFI Projects and products that have received FSC, PEFC or SFI certification to promote sustainable forestry and responsible sourcing Forest conservation projects, afforestation (plantations) on non-forested land or reforestation on previously forested land using tree species that are well adapted to site conditions and accompanied by a sustainable forest management plan Sustainable tree-crop production certified with FCS, PEFC or SFI that incorporates native or naturalised species and does not cause or result in deforestation or loss of natural forests or any other biodiversity hotspot that has high conservation value or high carbon stock ecosystems Native non-timber forest products certified by a credible third-party certification, contributing to forest conservation, soil retention and recovery, and alternative livelihoods Design, implementation, use, or improvement of traceability mechanisms, data, and technologies used to prevent deforestation and monitor biodiversity benefits at the corporate level or along the supply chain Establishment of buffer zones (including agroforestry, managed plantations and wildlife crossing points besides roads and other transportation corridors) to reduce pressures on natural forests by displacing production linked to illegal deforestation	• Any forestry activities primarily related to production of biomass for power generation, unless deemed acceptable under the 'Renewable energy' category • Any forestry activities identified as being linked to deforestation or land conversion • Reforestation or restoration activities to not involve invasive alien species. Restoration to prioritise native species, with naturalised or non-invasive alien species being the less preferred option
Sustainable food and agriculture	Adoption of regenerative agriculture practices, including: – Reducing soil disturbance through no-till farming and keeping soil covered with vegetation or natural material (e.g., mulching) – Activities that maximise plant diversity, restore degraded croplands, and maintain living roots in the soil through robust crop rotations, cover cropping, inter cropping (e.g., mixing grasses and legumes), alley cropping, overseeding, silvopasture, windbreaks and growing diverse forage in pastures Agroforestry systems linked to sustainable agricultural practices (e.g., mixed tree and crop production using native or naturalised species), where appropriate to species/habitats present Adoption of agricultural practices that reduce synthetic fertiliser and pesticide use, such as:	• Biofuel production that competes with food production or causes deforestation or land conversion • Agricultural operations identified as being linked to deforestation and land conversion • Livestock management projects for industrial-scale meat processors or producers • Techniques and technologies implemented on industrial scale livestock production units

Sub-themes	Eligible activities	Activity exclusions
	– Improved efficiency of fertiliser use or reduction of fertiliser use, such as Enhanced-Efficiency Fertilisers (EEFs) with improved soil nutrients, crop yield and reduced nitrate leaching and air pollutants, especially in areas prone to downstream eutrophication – Preventing or reducing downstream eutrophication, through the use of bio-fertiliser or other organic solutions (e.g., compost) – Reduction in pesticide use through implementation of alternative pest-control methods (e.g., integrated pest management, biological, mechanical, or cultural controls) • Wildlife habitat management (including planting and expanding hedgerows), establishing wildlife corridors and/or buffer zones around farms • Production of organic[33] food and non-food products certified by credible third-party certifications in particular EU Organic, Rainforest Alliance, Better Cotton Initiative (BCI), Soil Association Certification organic standards and USDA Organic • Production of organic certified sustainable protein including plant-based proteins with evidence of life cycle GHG emissions being lower than their meat counterparts, and production that procures raw materials from certified sustainable sources[34] • R&D of lab grown proteins and alternative proteins, including insects and cultured meat, as well as R&D and production of plant-based protein and fermented meat with: – Evidence of life cycle GHG emissions being significantly lower than meat counterparts, and – Production that procures raw materials from certified sustainable sources listed within the 'Sustainable food and agriculture' sub-theme • Investment in low-carbon agricultural technologies that improve productivity and efficiency while at the same time lowering impact. Examples could include crop sensors, hydroponics or aeroponics • Improving the energy efficiency of machinery and equipment, irrigation and other agriculture processes through electrification	• Application of energy efficiency improvements to livestock management projects for industrial-scale meat processors or producers • Use of agrochemicals (herbicides or insecticides) to control and/or eradicate invasive plants and/or insects • Manufacture, purchase and distribution of inorganic or synthetic fertilisers, pesticides and herbicides • Equipment that runs directly on fossil fuel such as those powered by diesel • Genetically modified organisms and crops[35] • Hunting, trapping, poisoning and culling of vertebrate animals considered as pests • Chemical recycling of plastics • Procurement of single-use plastics

[33] Certifications listed in the IFOAM directory for organic cropping agriculture. The directory can be found at: https://directory.ifoam.bio/certification_bodies.
[34] Please see list of certifications included above. Additional certifications in particular UTZ certified, Roundtable on Responsible Soy (RTRS).
[35] This includes when causing biodiversity loss or ecosystem harm, leading to chemical dependency or monoculture risks, or violating IFC Performance Standard 6 or OECD ESG principles.

Sub-themes	Eligible activities	Activity exclusions

- Vertical farms that are powered using renewables or low-carbon energy sources with average emissions intensity at or below 100gCO_2e and have strong energy efficiency measures
- Agricultural practices enabling reduction in diffuse pollution including nutrients management systems and controlled release fertiliser
- Precision and data-driven agriculture management including remote sensing, geographic information system (GIS) equipment and drones to reduce emissions, resource use and biodiversity loss
- Climate-smart agriculture practices, including climate change adaptation and resilience measures enabling increase in crop productivity and resistance to extreme weather events while also improving resource efficiency and conserving or restoring ecosystems. Examples could include drought-resistant seeds, efficient irrigation, water recycling, rainwater harvesting, nutrient cycling, water storage, ecotone levees, floodplain restoration, and watershed restoration
- Reduce, reuse, recycle packaging for food production[36]. This could include reduction in packaging weight and density
- Food waste reduction and processing to produce compost for agricultural, municipal or consumer applications
- Saline agriculture projects, including cultivation of salt-tolerant crops, soil management techniques to mitigate salt effects and irrigation using saline water
- Projects that promote agrobiodiversity or agroecology[37]. Examples could include:
  - Conservation of native species and rehabilitation of degraded lands with native and/or naturalised species that can more readily adapt to variations in production cycles, water quality, quantity and temperatures
  - Establishment and maintenance of seed banks for collecting, classifying, researching, storing and conserving local seed varieties and safeguarding genetic diversity for future crop breeding
  - Installation of ecological infrastructure such as hedges, thickets and ponds
- R&D of crops, technology, or production systems that reduce pressure on nature, such as habitat conversion (e.g., climate resilient crops that help reduce water demand in water-stressed regions)

[36] Reuse will be limited to the product being put to its original use with minimal or no pre-processing. Recycling will result in secondary raw material creation.

[37] Food and Agriculture Organization of the United Nations published 13 Principles of Agroecology offer range of suitable specifics best practice guidance: https://www.agroecology-europe.org/the-13-principles-of-agroecology/. E.g., on Principle 5: Biodiversity – Maintain and enhance diversity of species and genetic resources and maintain biodiversity in the agroecosystem over time and space at field, farm and landscape scales. Principle 6: Synergy – Enhance positive ecological interaction, synergy, integration, and complementarity amongst the elements of agroecosystems (plants, animals, trees, soil, water).

Sub-themes	Eligible activities	Activity exclusions
Sustainable land use and biodiversity conservation	Activities which enhance the sequestration and long-term storage of carbon from the atmosphere (e.g., restoration of upland and lowland peatlands Rehabilitation, restoration and conservation of ecosystems from a degraded state and rewilding projects. Biodiversity gains should be considered on a sector or jurisdiction specific basis. Examples include: – Protected areas or other effective area-based conservation measures (e.g., collaborative management partnerships for conservation, ecotourism)[38] – Rewilding or restoring degraded terrestrial, aquatic, marine ecosystems (e.g., natural assisted regeneration of forests), or improve their connectivity (e.g., biodiversity corridors) – Preventing, controlling and/or eliminating invasive species – Maintaining and restoring genetic diversity within and between species, and/or sustainable sourcing of bioingredients from conservation areas Provision of services for restoring natural habitats. Examples could include the use of drones to plant mangroves and restoration-enabling activities such as satellite imaging, eDNA, bioacoustics for the purpose of monitoring natural habitats Elimination, minimisation, reduction and/or mitigation of the impacts of invasive alien species on biodiversity and ecosystem services Restoration of natural shoreline protection for preventing coastal erosion and facilitating sediment deposition (e.g., mangroves, seagrass, coral reefs)	• Livestock management projects for industrial-scale meat processors or producers • Techniques and technologies implemented on industrial scale livestock production units • Use of agrochemicals (herbicides or insecticides) to control and/or eradicate invasive plants and/or insects • Manufacture, purchase or distribution of inorganic, synthetic fertilisers, pesticides or herbicides • Equipment that run directly on fossil fuel such as those powered by diesel • Genetically modified organisms and crops[39] • Hunting, trapping, poisoning and culling of vertebrate animals considered as pests • Commercial forests without certifications (FSC, PEFC or SFI) • Boat operators, sailing schools and diving centre

[38] A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long term conservation of nature with associated ecosystem services and cultural values (https://iucn.org/our-work/topic/effective-protected-areas).

[39] This includes when causing biodiversity loss or ecosystem harm, leading to chemical dependency or monoculture risks, or violating IFC Performance Standard 6 or OECD ESG principles.

Pollution prevention and control

Sub-themes	Eligible activities	Activity exclusions
Sustainable waste management	• Processes, infrastructure and technologies that facilitate waste prevention, waste reduction and waste recycling. Examples could include waste management companies[40] which incorporate recycling and sustainable waste management practices, and recycling facilities powered by renewable energy • Treatment of bio-waste through anaerobic digestion in dedicated plants with the resulting production and utilisation of biogas and digestate • Treatment of bio-waste through composting (aerobic digestion) in dedicated facilities with the resulting production and utilisation of compost • Projects to capture biogas from closed landfill facilities, with high gas capture efficiency of 75% or more • Substitution/reduction of use of chemicals and other pollutants harmful to biodiversity with biodiversity-friendly alternatives, including BioSolutions for pest control and eco-certified cleaning products	• Technologies and processes in traditional carbon-intensive production processes in heavy industries • Chemical recycling of plastic • Plastics, rubber, tire-derived fuels (TDF) for energy or fuel conversion • Treatment of bio-waste from non-RSPO certified palm oil operations
GHG emission reduction	• Developing processes/systems to reduce GHG emissions in a company's product supply chain. Examples include reducing air emissions through process upgrades, installation of sensors to monitor or test emission control and compliance including investments with third party to find ways to reduce emissions • Reductions in GHG emissions resulting from retrofit of existing commercial, residential or industrial facilities with refrigerants that have a lower global warming potential (GWP) coupled with robust refrigerant leak control, detection and monitoring, while ensuring recovery, reclamation/recycling or destruction of refrigerants at end of life	• Projects that i) are reliant on fossil fuels; or ii) facilitate the reduction of GHG emissions in fossil fuel production and/or distribution • Production processes in heavy industries, such as steel, cement, aluminium • Projects that apply GHG emissions capture in active landfills • Carbon Capture Utilisation (CCU) where captured carbon is intended for enhanced oil recovery

[40] Where electronic waste recycling is considered, recycling companies employed will have robust waste management processes to mitigate associated risks with e-waste recycling. Where plastic recycling is considered, this will be limited to mechanical recycling.

Sub-themes	Eligible activities	Activity exclusions
Reduction of (non-GHG) air emissions	Activities involving the installation, maintenance and operation of end-of-pipe equipment for the removal and reduction of emissions of particulate matter or other air-polluting substances. Examples could include filters, de-dusting equipment, catalytic converters, post-combustion and other techniques Activities that prevent pollution through in-process modifications (cleaner technologies and/or use of cleaner products). Examples could include recovery of solvents, and prevention of spills and leaks through improving airtightness of equipment Processes and measures that clean the air using physical (filtering), biological or chemical methods (neutralising contaminants)	
Soil remediation	Decontamination or remediation of soils using physical, mechanical or biological methods. Examples could include biological control of weeds (through different organisms such as insects, mites, nematodes, and pathogens), mowing, tilling, girdling, chopping and constructing barriers Measures and activities aimed at the prevention of pollutant infiltration and the protection of soil from salinisation, erosion or other physical degradation, including addition of biochar	• Remediation of contamination from the borrowers' own activities unless the borrower restores the ecosystem to a state better than its original condition • For reforestation and afforestation projects, non-native tree species, not adapted to the site's conditions, without a sustainable management plan in place • Use of agrochemicals (herbicides or insecticides) to control and/or eradicate invasive plants and/or insects

Resource efficiency and circular economy

Sub-themes	Eligible activities	Activity exclusions

Circular economy	**Circular design**
	- Companies/projects that eliminate/reduce input of hazardous/toxic materials and design for modularity, easy disassembly and repair to facilitate reuse, recyclability and extended lifecycle
	- Production technologies/processes that reduce material use, enable resource recovery, and minimise waste generation such as closed-loop manufacturing systems or industrial symbiosis initiatives[41]
	Material/resources recovery
	- Measures aimed at scaling of recycling infrastructure and technologies to enhance material recovery and the creation of secondary raw material
	- Provision of waste collection services which supports source segregation of waste[42], including the collection, processing and treatment of hazardous waste
	Circular inputs
	- Procurement of waste or recycled material as an input
	- Companies/projects that substitute virgin raw materials with secondary (recycled) materials originating from materials and resources recovery
	- Production of aluminium-based consumer product 90% or more of input is scrap/recycled aluminium
	- Production of plastic with:
	  – at least 90% of recycled, renewable and/or bio-based input, and
	  – at least 90% is not intended for single use consumer products, and
	  – all products are recyclable and biogenic input should be sustainably sourced[43]
	- Production of eco-efficient products that are RSB certified (in case of bio-based materials)
	- Manufacturing, trade finance, or retail of bio-based raw materials and compostable and biodegradable products from a sustainable source (recycled or certified by a credible third-party certification), including plant-based packaging solutions that displace traditional non-sustainable products
	Repair activities
	- Companies/projects that are aimed at increasing the lifespan of existing products such as through repair and predictive maintenance, with the aim of products being put back to their original use with minimum pre-processing required
		• Equipment and technologies designed or intended for processes that are inherently carbon intensive, primarily driven or powered by fossil fuels
		• Projects involving products that are made entirely from virgin petroleum- based plastic and for products which are not recyclable
		• Repair, refurbishment and reuse of products that are fossil fuel powered or used for extraction of fossil fuel
		• Commercial-scale manufacturing or production of resource-efficient, low-carbon or eco-efficient products without details on manufacturing process, assurance of sustainable sourcing, or reasonable basis for substantial reduction of life-cycle emissions
		• Chemical recycling of plastic
		• Procurement of recycled or waste inputs intended for plastic packaging for single-use consumer products (non- medical)
		• Procurement of inputs for single use plastic products
		• Disposal of hazardous waste
		• Repair activities with no demonstrable reduction in use of virgin input or in landfilling

[41] Production technologies related to industrial symbiosis initiatives exclude hard-to-abate industries, including steel, cement, aluminium and chemical.
[42] Waste collection vehicles that are zero emission, or hybrid vehicles at or below the threshold of 75 gCO2/km based on lab tests.
[43] Sustainable sourcing means either waste inputs, or bio-based inputs certified by a credible agriculture or forestry scheme.

Sustainable water

Sub-themes	Eligible activities	Activity exclusions
Sustainable water management	• Products, services and projects that attempt to address water scarcity and water quality issues, including minimising current water consumption and demand increases, improving the quality of water supply to make the quality of water compliant with the applicable legislation and improving the availability and reliability of water (e.g., water reclaim systems, leak detection systems) • Development of desalination plants designed to minimise groundwater depletion, protect wetlands and prevent hypersaline discharge to sensitive ecosystems • Managed Aquifer Recharge (MAR) to enhance groundwater, including rainwater harvesting, increased recharge through rivers, redirected drainage, or use of treated wastewater • Projects that improve watershed and catchment management with explicit consideration of biodiversity and ecosystem services (e.g., regulation of water abstraction, reduction of runoff and siltation, and prevention of agrochemical runoff), including the use of Nature-based Solutions • Infrastructure and engineering projects developing new or repairing existing water and sanitation pipelines. Equipment and technology resulting in improved quality and/or water use efficiency • Technologies and products that reduce, reuse, or recycle water as a means of conservation certified to a relevant water-efficiency standard, such as rainwater harvesting systems • Investments in the protection of land, forests, and other vegetation in the upper watershed as a means to improve the quality of water bodies and groundwater recharge areas, and reduce runoff, sedimentation, and siltation, evidenced by a relevant survey • Distribution of drinking water with measurable improvements to water quality, water efficiency or climate change resilience. Examples could include water utilities operating under appropriate regulatory frameworks such as in the UK, EU and the US • Manufacturing or retail of ocean and water-friendly (including catchment safe) household products, where manufacturing/production of such products also consists of at least 90% of recycled, renewable and/or bio-based input that are sustainably sourced (waste inputs or bio-based inputs certified by a credible third-party certification). Examples could include biodegradable and phosphate-free products such as detergent, shampoos, soaps, deodorants, cleaners, a non-plastic packaging	• Water projects identified as being linked to water stress or pollution • Projects, equipment or methods dependant on fossil fuels • Systems and measures to provide water for fossil fuel operations, fracking, and mining

Sub-themes	Eligible activities	Activity exclusions
	Activities associated with the reduction of the use of cooling water and more efficient water cooling	
Sustainable wastewater management	**Wastewater treatment:** Processes that facilitate treatment of wastewater on a large scale, such as wastewater treatment plants Development, manufacture, installation or operation of technologies, systems or facilities that recycle, compost or increase efficiency of wastewater processing **Water pollution prevention and control** Upgrades and improvements to industrial and manufacturing processes or utilities and other public services that are proven to improve water quality and reduce hot water outflows Manufacture and provision of technologies, equipment and software specifically designed to enable improvement in water quality and temperature Urban drainage systems that prevent plastic, solid waste, and pollutants runoff into freshwater and marine habitats Prevention of stormwater, wastewater and agrochemical runoff into waterways, including using Nature-based Solutions (e.g., use of wetlands to support removal of organic pollutants from wastewater) Decontamination or remediation of ground and surface water and its shores, such as through collection of pollutants or through physical, chemical or biological method Wastewater reuse projects that reduce freshwater abstraction and prevent contamination of rivers, lakes, wetlands, or coastal ecosystems	• Wastewater treatment for fossil fuel operations and/or carbon-intensive sectors • Industrial scale livestock facilities • Remediation of contamination from the borrowers' own activities unless the borrower restores the ecosystem to a state better than its original condition

Climate change adaptation

Sub-themes	Eligible activities	Activity exclusions
Climate change adaptation[44]	Infrastructure to increase resilience against extreme weather events[45]. Examples could include coastal pumping stations and water reclamation plants in areas of water stress, wetland protection, stormwater management, flood defences, grid resilience, renewable based back-up generation systems and storage designed for climate-related disruption[46] • Information support systems, such as long-term climate observation, systems for monitoring GHG emissions and early warning systems	• Business as usual renovation and refurbishments such as routine maintenance and minor upgrades that do not significantly enhance the environmental performance or resilience of such infrastructure or asset

[44] In addition to criteria listed here, any transactions with criteria aligned with the CBI Climate Bond Resilience Taxonomy (CBRT) and Climate Resilience Classification Framework published by United Nations Office for Disaster Risk Reduction (UNDRR) will also be eligible for the purposes of this Framework.
[45] Given the potentially significant impact of infrastructure on the environment, all climate change adaptation infrastructure projects will be supported by a vulnerability assessment and adaptation plan.
[46] Renewable energy generation and energy storage systems as defined under the 'Renewable energy' category in the Framework.

Sub-themes	Eligible activities	Activity exclusions
	Expenditures related to the design, construction and/or refurbishment of existing infrastructure and maintenance of eligible infrastructure that features intentional integration of climate resilient construction (design, materials) and/or soft infrastructure improvement (asset-focused resilience). Examples could include flood mitigation barriers, drainage systems, and wildfire mitigation and management Conservation, regeneration or extension of natural forests and coastal natural buffer zones for climate adaptation and resilience, restoration of salt marshes, peatland restoration, wild brush clearing, species diversification, mangrove conservation, coral reef conservation	

Carbon and nature markets

Sub-themes	Eligible activities	Activity exclusions
Carbon markets	Financing and enabling the scaling of the voluntary carbon credits market through projects that are otherwise eligible within this Framework and that are certified under at least one of the following standards: – Verified Carbon Standard (VCS) – Gold Standard for Global Goals – American Carbon Registry Standard – Climate Action Reserve Standard – Plan Vivo – Woodland Carbon Code (WCC) for UK based afforestation projects – IUCN Peatland Code for UK based peatland restoration projects	• Purchase of carbon credits as a majority of net proceeds (for the purpose of offsetting Scope 1 emissions from core operations) • Generated GHG emissions primarily from fossil fuel related operations, such as from coal mining • Generated GHG emissions for the purpose of subsequent emission reduction, removal or destruction such as landfill gas flaring and industrial gas destruction (e.g., HCFC-22 facility for HFC-23 destruction)

Sub-themes	Eligible activities	Activity exclusions
Nature markets	**Nature markets**[47] • Financing and enabling the scaling of the biodiversity credits market through projects that are otherwise eligible within this Framework and that are certified under a credible standard • Conservation or restoration projects to create biodiversity credits for meeting mitigation requirements. Examples could include the creation of wetlands to generate biodiversity credits • Payments for ecosystem services or investments in mechanisms and conservation trust funds that support payment for ecosystem services directly linked to nature and biodiversity conservation. This could include the provision of financial services to MSMEs as defined under this Framework	

Cross-theme

Sub-themes	Eligible activities	Activity exclusions
Financing charities and non-profit institutes[48]	• Provision of dedicated financing to Registered Charities, Non-Profit Institutes and other philanthropic organisations which support activities in line with the activities identified in the Framework • Lending to social enterprises, non-profit organisations and/or registered charities in the UK that have the specific purpose to advance the themes in this Framework	

[47] In accordance with the International Finance Corporation's (IFC) Biodiversity Finance Reference Guide https://www.ifc.org/content/dam/ifc/doc/mgrt/biodiversity-finance-reference-guide.pdf.
[48] To be 'nature-eligible' organisations will have clear objectives relating to activities that will contribute to the GBF.

3. Social eligibility criteria

This section sets out eligible social activities, including any specific exclusions applicable to a particular activity which would mean it is not eligible as a social activity. It also sets out the relevant SDGs for each sub-theme on a best-efforts basis, focusing on the primary SDG contribution from each activity.

Definition of target populations and target areas[49]

Social finance directly aims to address or mitigate specific social issues and/or seeks to achieve positive social outcomes especially but not exclusively for a target population or a target area. Target population thresholds will vary by region and therefore we adhere to local jurisdiction definitions where available. Examples of target populations and target areas include, but are not limited to, those that are:

- Populations living in low and lower-middle income countries as defined by the World Bank[50]
- Populations living below the poverty line[51]
- Economically excluded and/or marginalised populations and/or communities, including as a result of natural disasters [52]
- People with disabilities
- Migrants and/or displaced persons
- Undereducated
- Underserved, owing to a lack of quality access to essential goods and services
- Unemployed
- Populations in developing but not high-income countries as per the UN World Economic Situation and Prospects (WESP) report
- Women and/or sexual and gender minorities
- Aging populations and vulnerable youth[53]

[49] Based on ICMA Social Bond Principles 2023 (https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Social-Bond-Principles-SBP-June-2023-220623.pdf).
[50] World Bank classification is based on Gross National Income (GNI) per capita, calculated through the World Bank Atlas method for low-income or lower middle-income economies (https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups).
[51] The definition of living below the poverty line should be based on World Banks definition or the local government definition.
[52] The definition of economically excluded and marginalised individuals should be based on the local government definitions.
[53] The definition of vulnerable youth should be based on the local government definitions.

Affordable housing

Sub-themes	Eligible activities	Activity exclusions
Development and provision of affordable housing[54]	• Development and/or operation of shelters, halfway homes or community housing to target populations as defined above • Providing affordable and low-income housing to target population as defined above. Examples could include affordable housing financed through municipal bonds or municipal lending, affordable and low-income housing financed through Government Sponsored Enterprise (GSE) or affordable and low-income housing provided through Registered Social Landlords (UK) • Lending to housing associations involved in the construction and management of shared-ownership properties. Where such loans are extended to individuals, these will be on preferential financial terms, including interest rates that are below the market rate	• US government sponsored entity (GSE) debt • Registered Social Landlords – (i) that are for profit or joint-ventures between Registered Social Landlords and non-registered entities or (ii) which no longer meet Governance and Viability standards of the UK regulator
Housing improvements	• Renovation, maintenance, and improvement of shelters, halfway homes, community housing or other affordable and social housing projects as described above, which are in poor conditions	

[54] For rental schemes, adequate affordability measures will be in place as defined by local governments.

Affordable basic infrastructure

Sub-themes	Eligible activities	Activity exclusions
Telecommunication infrastructure and services	• Telecommunication services and infrastructure that improves connectivity for relevant target populations and underserved communities with no or inadequate connectivity[55] • Provision of free or subsidised/affordable internet to target populations	
Transportation infrastructure	• Development of roads or other transportation infrastructure to improve connectivity for target populations in underdeveloped rural areas, or areas where road infrastructure is clearly inadequate and hinders a community's development • Free/discounted access to public transportation infrastructure for target populations in underdeveloped rural areas, or areas where road infrastructure is clearly inadequate and hinders a community's development • Development of sidewalks for public (including accessibility improvements for people with disabilities	• Development of airports • Development of highways in urban areas • Upgrade of highways and major roads, including in rural areas • Privatisation of highways • Construction of toll booths
Other basic infrastructure	• Development[56], expansion or improvement of access to clean drinking water, sanitation and sewers, including desalination projects powered using low-carbon sources and with appropriate waste management plan for brine disposal • Development and expansion of transmission and distribution infrastructure that provides clean energy for target populations in areas where there is no access or access to energy is substantially inadequate	• Transmission lines directly connected to fossil fuel power plant (coal, oil, or natural gas) • Desalination plants with dedicated on-site fossil fuel power • Integrated water and power plant (IWPP) with dedicated on-site fossil fuel power • Fossil fuel power generation

[55] See 'Definition of target populations and target areas' above.
[56] Where desalination plants are considered, these will be limited to plants that are powered by low-carbon sources, such as renewables, or the electricity has an average carbon intensity below 100gCO_2/kWh. Additionally, desalination plants will have appropriate waste management plans for brine disposal.

Access to essential services

Sub-themes	Eligible activities	Activity exclusions
Access to credit and financing 	• Microfinance lending to the relevant target population with interest rates that are below the market rate • MSME[57] lending in developing countries but not high-income countries as per the UN World Economic Situation and Prospects (WESP) report • MSMEs with majority ownership by economically excluded and/or marginalised populations and/or communities • Women-owned or led MSMEs that meet one of the following criteria: – (i) at least 51 per cent owned by woman or women; OR (ii) the business is founded by a woman (i.e. 50 per cent shareholding); OR – (i) at least 20 per cent owned by woman or by women; AND (ii) with a woman as CEO, COO, President or Vice President; AND (iii) has a board of directors at least 30 per cent comprised of women, where a board exists • MSME lending in the event of a natural disaster[58] towards restarting essential services and facilities and projects to support natural disaster recovery • Digital financial services aimed at improving digital inclusion for target population, such as mobile money services and remittances	• Payday loans • High interest MFI loans • MSME loans that finance any involvement in alcohol, tobacco, gambling, military weapons or small arms

[57] MSME as defined by local jurisdictions where applicable or the IFC definition in the absence of local guidelines, which refers to any organisation that has fewer than 300 employees and a turnover and total assets of less than USD 15 million, at: https://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/financial+institutions/priorities/ifcs+definitions+of+targeted+sectors.

[58] In the event of a natural disaster, priority will be given to financial lending to restart essential services and facilities which activity may or may not align with the activity exclusions in this Framework.

Sub-themes	Eligible activities	Activity exclusions
Accessible and affordable healthcare	**Hospitals, care facilities/clinics** • Development, expansion or acquisition of any buildings or facilities at any non-profit, public, standalone or university-affiliated hospital, clinic, mental health facility or healthcare facility • Development, expansion or acquisition of any buildings or facilities at any for-profit hospital, clinic or healthcare facility that guarantees access to target populations • Development, provision and maintenance of elder care facilities including nursing homes and retirement homes that are publicly owned or private not-for-profit with affordability measures in place **Community health service providers** • Development of any facilities for community health service providers • Development and provision of community-based healthcare, mental health care or social services in target areas or to target populations **Providers supporting healthcare related products and services** • Development of critical medical equipment or provision of diagnostic services public and private hospitals. Examples could include MRI machines, respirators or services that support diagnostics such as laboratory testing • R&D into potential cures for neglected diseases defined as per WHO Neglected Tropical Diseases[59] • Provision of affordably priced or subsidised medicines on the World Health Organisation (WHO) essential medicines list to target populations or in target areas. • Affordable health insurance solutions for target populations **Public health emergency response** • Public health crisis emergency response. Examples include financing to increasing healthcare capacity, operational support of vaccine deployment, training of personnel to assist pandemic response	

[59] WHO Neglected Tropical Diseases, at: https://www.who.int/health-topics/neglected-tropical-diseases#tab=tab_1.

Sub-themes	Eligible activities	Activity exclusions
Regeneration of and access to public spaces	• Development of and free/discounted access to recreational centres (e.g., YMCA/YWCA), cultural centres, museums and libraries in target areas that will be made free to access or sufficiently subsidised to ensure affordability for target populations • Development, refurbishment and maintenance of parks that will be made free to access or sufficiently subsidised to ensure affordability for the target population • Creating open green spaces – such as parks and permeable, biologically active areas within urban environments—using native species to enhance and restore urban biodiversity, mitigate heat island effects and air pollution, strengthen resilience to climate extremes, support water retention, and deliver a range of health benefits for people	• Professional stadiums and sports centres • Public spaces dedicated to religious and political activities
Access to affordable and quality education	**Pre-K/ Nursery, primary, secondary and post-secondary education** • Development of public pre-K/Nursery, elementary and secondary education facilities and programs • Development of community colleges, vocational schools or public and private universities **Education service providers/vocational training** • Development of trade schools, job training or job placement programs for target populations provided free or sufficiently subsidised to ensure affordability • Other educational programs, including provision of personalised digital tools or systems for students from the target populations or in target areas provided free or sufficiently subsidised to ensure affordability	• Private schools/ colleges/ universities/ that are for-profit without affordability mechanisms for the target population • Sporting facilities and stadiums at universities
Emergency services	• Provision of emergency services related to fire, rescue, medical response and disease control services[60]	• Emergency services connected directly to the exercise of retributive justice systems such as policing, incarceration, and surveillance

[60] Such emergency services will be free and accessible to all and targeted at regions where emergency services are severely limited or lacking.

Food security and sustainable food systems

Sub-themes	Eligible activities	Activity exclusions
Food and water security	• Developing access to nutrition (food and potable water) programs that address malnutrition for target populations in areas with an explicit need to tackle food security which will be made affordable to all regardless of ability to pay • Provision of technical capacity building or training to smallholder farmers[61] to increase nutritional quality of agricultural products • Development of equipment and drugs for food and water safety including water purification tablets for target populations	• Promotion of agricultural products that are forbidden under WHO Class I & II hazardous products[62] • Projects involving livestock for industrial-scale meat processors or producers • Genetically modified crops
Sustainable food systems	• Development or provision of agricultural training programs for smallholder farmers to increase uptake of new technology and introduce efficient farming practice • Provision of products and services to smallholder farmers • Investment in infrastructure such as warehouses aimed at providing adequate storage, improved food conservation or connectivity in the food chain for reducing food loss • Goods which are Fairtrade certified[63]	• Projects involving livestock for industrial-scale meat processors or producers

Cross-theme

Sub-themes	Eligible activities	Activity exclusions
Financing charities and non-profit institutes	• Provision of dedicated financing to Registered Charities, Non-Profit Institutes and other philanthropic organisations Lending to social enterprises that have the specific purpose to advance the social themes in this Framework	• Religious and political institutions

[61] The definition of 'smallholder' varies by region. Unless an alternative jurisdictional definition is available, we define 'smallholder' as follows:
- UK: operations smaller than 54 hectares, in line with the UK Government definition for 'smaller than average size farms' (https://www.farmbusinesssurvey.co.uk/DataBuilder/Default.aspx?Menu=Menu&Module=Results&rqREF=020058)
- US: operations with gross cash farm income under $250,000, in line with the USDA definition of 'small farms' (https://www.usda.gov/media/blog/2010/05/18/small-farms-big-differences).
- All other regions: operations smaller than 2 hectares, in line with the UN Food and Agricultural Organization (FAO) definition (https://www.iisd.org/ssi/wp-content/uploads/2019/09/Smallholders_publication.pdf).

[62] The WHO Recommended Classification of Pesticides by Hazard and guidelines to classification, 2019 edition, (https://www.who.int/publications/i/item/9789240005662).

[63] https://www.fairtrade.net/en.html.

Sub-themes	Eligible activities	Activity exclusions
Development banks, intergovernmental and supranational organisations	Raising capital for, lending to, or co-investing with organisations that have a development mandate provided the funds are used for projects that are eligible under this Framework. Examples include: • Development Banks or Development Finance Institutions (DFIs) (e.g., World Bank, European Bank for Reconstruction and Development (EBRD), International Bank for Reconstruction and Development (IBRD), African Development Bank (ADF)) • Intergovernmental Organisations (IGOs) (e.g., UN agencies) • Supranational organisations with a development mandate (e.g., European Investment Bank (EIB), Nordic Investment Bank) • National Development Banks (e.g., KfW Development Bank, Development Bank of Japan (DBJ))	• Stabilising mechanisms, specifically the European Financial Stabilisation Mechanism (EFSM) and European Financial Stability Facility (EFSF) • Organisations without development mandates

Employment generation

Sub-themes	Eligible activities	Activity exclusions
Employment generation	• Training and development programmes, capacity building aimed at improving the employability and upskilling of economically excluded or marginalised populations or communities, including as a result of natural disasters • Provision of loans towards MSMEs[64] that qualify on the basis of credible job creation programme such as programmes for employment of youth, underemployed people, or people with disabilities	• Commercial development and private sector projects for carbon-intensive industries • Institutions that are for-profit

[64] Where MSMEs are as defined by this Framework.

4. Product scope and measurement basis

The below products are included within the scope of Barclays' Target. In relation to facilities, we include both new facilities and refinancing of existing facilities.

The products noted below are not exhaustive and new products which integrate sustainability criteria and align with this Framework (with a measurement basis relevant for that product) as determined by Barclays, may be developed and included as part of the Target scope on an ongoing basis. In all cases, these will be subject to product governance processes and inclusion (including confirmation of relevant industry guidelines and standards and the measuring basis for that product) and will require approval from Group Sustainability, Finance and Legal teams as well as the Sustainable Finance Management Team for the relevant business unit. Any such new products will be included as part of the Target scope from the date of their approval.

Out of scope:

- Assets under management in ESG Funds and Products[65];
- Trading/Market making of securities/provision of price liquidity;
- Liquid financing of securities (prime/fixed income financing)[66]; and
- Derivatives products[67].

[65] This does not prevent Barclays from financing ESG Funds and Products who only invest in eligible green or social activities under Sections 2 and/or 3 (as applicable) of this Framework.
[66] Except financing against securities (per table in next section) where use of proceeds aligns with the Framework and the transaction meets other conditions including use of proceeds reporting and tenor limitations.
[67] Except derivative products which provide financing and where the use of proceeds aligns with the Framework and the transaction meets other conditions including use of proceeds reporting and tenor limitations.

Category	Volume Measurement Basis	IB	BUK	UKC	Dedicated Purpose	General Purpose/Entity based criteria
Capital Markets						
Debt Capital Markets (DCM)	Proportional Bookrunner Share[68]	✓			✓	✓
Leverage Finance		✓			✓	✓
Equity Capital Markets (ECM)[69]		✓			✓	✓
Private Capital Markets (PCM)		✓			✓	✓
Advisory						
Mergers & Acquisition (M&A) Advisory	Proportional Advisor Share[70]	✓				✓
Lending						
Syndicated & Bilateral Loans	Limits at Issuance (and any subsequent increases)	✓	✓	✓	✓	✓
Trade Financing		✓	✓	✓	✓	✓
Tax Equities & Credits	Tax equity investment value plus value of tax credits transferred if Barclays is purchasing and/or facilitating transfer	✓			✓	
Mortgages	Total mortgage (including any subsequent increases)		✓		✓	
Asset Finance	Offer price at purchase		✓	✓	✓	
Markets Financing						
Lending-in-Markets	Limits at Issuance (and any subsequent increases)	✓			✓	✓
Municipal Financing		✓			✓	✓
Securitisations		✓			✓	✓
Auctions		✓			✓	✓
Fund Financing		✓			✓	
Asset Backed Securities (ABS)	Proportional Bookrunner Share[71]	✓			✓	
Securities Financing	Cash out value amount	✓			✓	✓

[68] Total deal value is divided by total number of book runners, proportional on a pro-rata basis.
[69] ESG SPAC transactions are only recognised at the time that vehicle merges with acquisition company.
[70] Total deal value is divided by total number of financial advisors on Barclays' side, proportional on a pro-rata basis.
[71] Total deal value is divided by total number of book runners, proportional on a pro-rata basis.

4.1 Reporting overview

Public capital markets transaction data is collected from Dealogic and Bloomberg. Data for all other products is sourced from Barclays' internal systems.

Each relevant transaction is assessed against the eligible green and social criteria in this Framework by a dedicated team within our Global Finance function and, where applicable, against the relevant industry principles.

All data is reviewed by business teams. We are continuing to invest in enhancing data capture and classification processes. This includes a dedicated team within our Global Finance function to continue to enhance processes, systems and controls for green and sustainable finance reporting as well as a detailed implementation handbook to support consistent assessment of eligible transactions. External progress reporting against our Target is subject to independent limited assurance as set out in our Annual Report.

Barclays reports on progress against our Target in the Annual Report on an annual basis. See https://home.barclays/investor-relations/reports-and-events/annual-reports/.

Our definitions, measurement methodology and controls for select ESG KPIs including our sustainable finance metrics can be found in the Barclays ESG Reporting Framework on our website: https://home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/#additionalesgresources.

Disclaimer

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Barclays note that there is currently no global framework or definition (legal, regulatory or otherwise) as to what constitutes, an "ESG" (Environmental, Social or Governance), "green", "sustainable", "transition", "climate-friendly" or an equivalently-labelled product, or as to what precise attributes are required for a particular investment, product or asset to be defined as "ESG", "green", "sustainable", "climate-friendly" or such other equivalent label nor can any assurance be given that such a clear global definition or consensus will develop over time.

As a result, Barclays is making this statement in order to assist its customers, potential customers and other third parties with regard to its own current position in view of the possibility of different interpretations of these terms for the purposes of tracking against its $1trn Sustainable and Transition Finance target. The information herein is not intended to be used as a general guide and does not constitute investment advice or as a source of any specific investment recommendations as it has not been prepared with regard to the specific investment objectives, financial situation or particular needs of any particular person.

The information in this document does not represent Barclays' financing risk appetite and is not intended to provide any indication of the Barclays future lending, advisory, investment, or underwriting decisions, which Barclays shall have full discretion over. Any information contained or referred to herein, in relation to any actual or potential sustainable or transition objective, issue or consideration is not intended to be relied upon for EU Sustainable Finance Disclosures Regulation classification purposes, EU Taxonomy Regulation classification purposes, or equivalent classification regimes ("Classification Regimes").

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Investors, users and other relevant persons are reminded that differences in interpretation are possible. Different persons (including third-party data providers, investors and other financial institutions) may apply different interpretations, standards and criteria, including through use of internal methodologies, and arrive at different conclusions. Investors, users and other relevant persons are advised to obtain their own independent financial, legal, regulatory, tax or other advice as necessary in order to make their own investment decision as to whether an index, investment, product or asset meets their sustainability needs, including sustainability performance, sustainability alignment, and alignment to or compliance with any regulatory regime (including without limitation, the Classification Regimes).

In preparing the information in this document we have:

(i) used climate and sustainability data, models, scenarios and methodologies that we consider to be appropriate and suitable for these purposes as at the date on which they were deployed. This includes data, models, scenarios and methodologies made available by third parties (over which we have no control) and which may have been prepared using a range of different methodologies, or where the basis of preparation may not be known to us. Methodologies, interpretations or assumptions may not be capable of being independently verified and may therefore be inaccurate. Climate and sustainability data, models, scenarios and methodologies are subject to future risks and uncertainties and may change over time. Climate and sustainability disclosures in this document, including climate and sustainability-related data, models and methodologies, are not of the same standard as those available in the context of other financial information and use a greater number and level of judgements, assumptions and estimates, including with respect to the classification of climate and sustainable financing activities. Climate and sustainability disclosures are also not subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Historical data cannot be relied on as a strong indicator of future trajectories, in the case of climate change and its evolution. Outputs of models, processed data, scenario analysis and methodologies will also be affected by underlying data quality which can be hard to assess or challenges in accessing data on a timely basis; and

(ii) continued (and will continue) to review and develop our approach to data, models, scenarios and methodologies in line with market principles and standards as this subject area matures. The data, models, scenarios and methodologies used (including those made available by third parties) and the judgements, estimates and/or assumptions made in them or by us are rapidly evolving, including scientific evidence relating to climate change and scenarios outlining pathways to net zero, and this may directly or indirectly affect the metrics, data points, targets, convergence points and milestones contained within this document. Further, changes in external factors which are outside of our control such as accounting and/or reporting standards, improvements in data quality, data availability, or updates to methodologies and models and/ or updates or restatements of data by third parties, could impact – potentially materially – the performance metrics, data points, targets, convergence points and milestones contained in this document.

This document may contain certain forward-looking statements with respect to Barclays. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by directors, officers, and employees of Barclays (including during management presentations) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to Barclays' future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including sustainability-related commitments and targets), plans and objectives for future operations, International Financial Reporting Standards ("IFRS") and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing sustainability reporting standards (including emissions accounting methodologies); changes in tax laws and practice; the outcome of current and future legal proceedings and regulatory investigations; Barclays' ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively or navigate inconsistencies and conflicts in the manner in which climate policy is implemented in the regions where Barclays operates, including as a result of the adoption of rules and regulations taking a different or opposing position on sustainability matters, or other forms of governmental and regulatory action against sustainability policies; environmental, social and geopolitical risks and incidents and similar events beyond the Barclays' control; financial crime; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within Barclays or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; changes in trade policy, including the imposition of tariffs or other protectionist measures; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; changes in US legislation and policy; developments in the UK's relationship with the European Union; the risk of cyberattacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on Barclays' reputation, business or operations; the use of new technology, including artificial intelligence; the Barclays' ability to access funding; and the success of acquisitions, disposals, joint ventures and other strategic transactions. A number of these factors are beyond Barclays' control. As a result, Barclays' actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in any Barclays forward-looking statements. Additional risks and factors which may impact the Barclays' future financial condition and performance are identified in the description of material existing and emerging risks in the Barclays 2025 Annual Report.

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