

# Barclays World Heritage Site and Ramsar Wetlands Statement

April 2018



## Introduction

Barclays' success and prosperity is closely linked to the success and prosperity of the communities in which we live and work. This principle guides the way we do business and drives our commitment to play a leading role in the transition towards a sustainable environment and low carbon global economy. In order to deliver long-term sustainable value, we consider that when customers and clients do well, so do we. When the communities we live and work in thrive, we do too. And when society prospers, we all do – it's not one, or the other.

Barclays has a strong and longstanding commitment to managing the environmental and social risks associated with lending and other types of financial services. Our approach to environmental and social risk management is based on a combination of policy, standards and guidance. This enables us to adopt a robust approach, while maintaining the flexibility to consider potential clients and transactions on their respective merits. Barclays has a dedicated Environmental Risk Management (ERM) team in place to advise on client transactions that have associated environmental or climate-related risks.

We understand that certain industries, in particular mining, oil and gas and power, can impact on areas of high biodiversity value including UNESCO World Heritage Sites<sup>1</sup> (WHS) and Ramsar Wetlands<sup>2</sup> (RW). We recognise that financing projects located in these areas has a significant negative impact on the outstanding universal value that they provide and this Statement outlines our due diligence approach to preserving and safeguarding these sites.

## Scope of position statement

This Statement covers Corporate Banking and Investment Banking client activities, focussing specifically on the mining, oil and gas and major infrastructure industries.

## Approach to due diligence

In line with Barclays' environmental risk standard, our approach is that all project finance transactions are subject to screening by the ERM team, whereby the specific location of the project or asset is checked against the **World Heritage Sites list** and the **List of Wetlands of International Importance** to ensure compliance with this Standard. If mitigating factors are identified, these would be escalated according to the process below.

If Barclays becomes aware that a new or existing client has or supports projects in a UNESCO World Heritage Site or Ramsar Wetland, including within the buffer zone, the relationship will be subject to enhanced due diligence and referred to the ERM and Sustainability teams for review. This is irrespective of whether Barclays has directly financed the project in question. Part of this process would include engaging the client on the site in question and posing questions on how they have mitigated the impacts of their activities on WHS and RWs.

## Appetite criteria

Barclays has **no appetite** for the following scenarios:

- Project finance transactions that support the development or expansion of projects in World Heritage Sites and/or within their buffer zones, unless there is prior consensus with both the host country and UNESCO that such development will not adversely affect the Outstanding Universal Value of the site;
- Project finance transactions that support the development or expansion of projects situated in Ramsar Wetlands, unless there is prior consensus with the host country that such development will not adversely affect the special characteristics of a Ramsar designated site.

We will review this Statement on a regular basis and, over time, expect to broaden its scope to include other financial transactions that directly support such projects.

## Escalation procedure

Our approach is that all relationships and transactions that are either a) excluded by the above criteria but an exception is proposed due to mitigating factors or b) on the margins of the above criteria, are referred to the ERM team and/or the Sustainability team for review and advice. Where appropriate, these are then escalated to the business level Transaction Review Forum and, if needed, the Group Executive Committee and the Board Reputation Committee for final decision.

This Statement has been approved by Barclays Executive Committee and the Board Reputation Committee. It will be reviewed and refreshed on an annual basis.

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<sup>1</sup>A WHS is a place listed by UNESCO as a place of cultural or physical significance under the 1972 World Heritage Convention.

<sup>2</sup>The Convention on Wetlands, called the Ramsar Convention, is an intergovernmental treaty that provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.