



Barclays PLC
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16 July 2018

Laura Waldman
Business & Human Rights Resource Centre
120 Wall Street
16th Floor
New York, NY 10005

Barclays.com

Dear Laura,

Thank you for your email dated 5 July 2018 which provides us with an opportunity to respond to the Facing Finance report, *Dirty Profits 6. Mining and Extractive Companies: Promises and Progress*. Unfortunately, we are not able to comment on specific companies and relationships referenced in the report, for client confidentiality reasons. We have, however, provided detailed information below on our approach to environmental and social risk management and due diligence.

Barclays recognises that the bank's major impacts tend to be indirect, via business relationships, arising from the provision of financial services to business customers operating in sensitive sectors. Appropriate risk management of environmental and social impacts is both a business imperative and the right thing to do. Our dedicated environmental risk management team, part of the central credit risk function, manages our approach which is a combination of policy, standards and guidance to assess individual transactions and relationships.

As part of this, Barclays fulfils the requirements of the Equator Principles (EP) (of which Barclays was a founding member), an internationally recognised framework for environmental and social risk due diligence in project finance. Rigorous adherence to the provisions of the Equator Principles ensures that Barclays would only proceed with certain transactions if potentially adverse environmental and social impacts are appropriately mitigated. We have developed a series of briefing notes available to colleagues in business development and credit risk functions outlining the nature of environmental and social risks of which to be aware, as well as factors which mitigate those risks. These cover ten industries, including a [Metals and Mining Environmental and Social Risk Briefing](#) which incorporates human rights issues into the assessment of financial transactions and business relationships. Please visit the following [page](#) for more detailed information on our approach to environmental risk management and a relevant case study on enhanced due diligence conducted on a mining client. Our [Coal Statement](#), published in April 2018, also outlines our position on doing business with the coal mining and coal power sectors and our [World Heritage Site and Ramsar Wetlands Statement](#) states our position for financing activities in or around these protected areas.

[Barclays Group Statement on Human Rights](#) also outlines our approach to managing human rights related issues, including those associated with our clients, products and services; and our second [Group Statement on Modern Slavery](#) looks at the steps we are taking within our client and customer base in order to combat the risk of modern slavery and human trafficking in that area.

In terms of Barclays holding stock in particular companies, Barclays may appear on some share registers. This is because Barclays holds a very small number of shares on behalf of clients and to hedge exposure against customer facing transactions. Holding shares in companies on behalf of clients, as well as maintaining appropriate hedging strategies, is normal practice for banks, but does not equate to an investment made by Barclays in these entities.

We engage with a number of NGOs on a regular basis, to ensure their concerns are considered in our approach and response to different Sustainability topics. Throughout 2017, over 84 different NGOs joined our open, cross-sector events to explore sustainability agendas, where collaboration and joint action are needed for positive societal impact. We continue to engage on an ongoing basis through Barclays' Citizenship and Sustainability teams and have contacted Facing Finance to ensure they have up to date contact details for future engagement. For further information on our approach to Sustainability and ESG, please refer to our Environmental Social Governance Report 2017.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'V McAllister', with a long horizontal stroke underneath.

Vicky McAllister
Director, Sustainability