

## Policy Position Statement on Mountaintop Removal (MTR) Coal Mining

In the context of Barclays policy, Mountaintop Removal mining (MTR) is defined as: *the removal of the whole or a portion of the upper fraction of a hill or mountain to access and recover a coal resource, with excess overburden stored as valley fill either permanently or temporarily.*

- Barclays does not directly finance MTR projects or developments
- Barclays applies enhanced due diligence (EDD) to all credit and capital markets facilities involving clients which practice MTR. This includes a review of operating practices and track record of legal compliance, environmental management, reclamation, litigation and community relations and engagement
- Provision of financial support to companies which are significant producers of MTR sourced coal will be agreed by exception only. Grounds for exception may be:
  - A written commitment by the client to transition away from MTR production within a reasonable timeframe
  - Use of funds known to be for reclamation/restoration of affected site(s)
  - Use of funds known to be for the express purpose of assisting a client transition away from MTR.

In respect of the Appalachian region of the United States (defined as Kentucky, Tennessee, West Virginia, and Virginia), Barclays recognises that MTR is a legal mining method overseen by a robust regulatory regime in one of the most transparent and democratic jurisdictions in the world. However, it is also one that has been subject to intense political, judicial and regulatory debate over the last decade due to negative environmental and social impacts on the one hand, and positive economic impacts on the localities in which it is employed, on the other. Due to a confluence of market forces and regulatory scrutiny in recent years, we believe that MTR is a mining method that will be phased out in the near to intermediate term.

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