

Barclays Group Statement
On Human Rights

November 2016

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1. Objectives and Rationale

This Statement aims to achieve a consistent and comprehensive approach to respecting human rights across the Barclays Group that will:

- Provide employees with guidance on the extent of our responsibilities and commitments
- Contribute towards compliance with international human rights legislation/standards
- Support Barclays' Values of Respect, Integrity, Service, Excellence and Stewardship
- Demonstrate to key stakeholders that Barclays manages its human rights impacts effectively.

Human rights can be defined as basic rights that form the foundation for freedom, justice and peace and which apply equally and universally in all countries.

In June 2011, the United Nations Human Rights Council (UNHRC) endorsed a Framework and set of Guiding Principles on business and human rights. These outline the responsibilities of both states and corporations and make it clear that it is the duty of states to **protect** human rights and the duty of corporations to **respect** human rights.

Businesses in all sectors are developing responses to the aspirations set out in the UN Framework. This involves implementing the Guiding Principles and also identifying ways of monitoring and reporting on progress. This Statement reflects Barclays' approach.

As a responsible corporate citizen we are committed to operating in accordance with the International Bill of Human Rights (comprising the Universal Declaration of Human Rights (UDHR), the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights).

We also take into account the UN Framework and Guiding Principles and other internationally accepted human rights standards including the OECD Guidelines for Multinational Enterprises and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and other Core Conventions.

We monitor all current and emerging human rights-related regulation including the UK Modern Slavery Act 2015 and ensure that our policies and practices are adapted accordingly.

In addition to this we respect and promote human rights through our employment policies and practices, through our supply chain and through the responsible provision of our products and services. The promotion of human rights through our business activities forms part of our broader objective to be a values-driven organisation.

While it is incumbent upon governments to draft and implement national legislation to protect human rights, the extent to which it is implemented through national legislative frameworks varies significantly between countries. This Statement draws together the policies, principles and standards relevant to all parts of Barclays in respecting and promoting human rights consistently across our operations globally.

2. Scope of application and intended audience

This Statement applies to all Barclays' business units and central functions.

- Where local legislation is more stringent, local requirements will apply in addition to this Statement.
- Where local legislation may conflict with the Barclays policies and practices contained in this Statement, we will comply with the law but seek, within our spheres of influence, to raise awareness of human rights and provide an example of good practice through our own business conduct.
- Where state jurisdiction is weak, we will adhere to the policies, principles and standards set out in this Statement and seek, within our spheres of influence, to raise awareness of human rights and provide an example of good practice through our own business conduct.
- This Statement will be a reference point when assessing and managing relationships with employees; customers; suppliers; sub-contractors; joint venture partners; and communities.
- It is impossible to provide a prescriptive list of all human rights related activities Barclays should undertake. This Statement should be viewed as minimum guidance, with business units providing additional control around the principles and policies laid out in this document as they see fit for the circumstances of their business.
- Other Barclays tools and guidance can be used in support of this Statement to help ensure business decisions are in line with our Purpose and Values, e.g.:
 - The Barclays global code of conduct 'The Barclays Way: How we do business' sets out what it means to work at Barclays and the standards expected of all colleagues. It covers the main policies and procedures that form the behavioural, ethical and compliance elements of what we do.
 - The Reputation Key Risk Framework articulates Barclays' expectations of businesses and functions in identifying, managing and mitigating reputation risk associated with decisions and actions taken.

- The Barclays Lens is an assessment tool made up of five simple questions designed to help drive the cultural change across the organisation.

3. Human Rights Principles and Responsibilities

3.1 Barclays Human Rights Principles

These principles outline Barclays' desire to respect and promote human rights within our spheres of influence and in keeping with the UN Guiding Principles on Business and Human Rights. We seek to uphold these principles in the management of our business and stakeholder relationships.

3.1.1. We will create a universal employment environment that promotes and respects the rights of the individual.

Wherever we operate we will seek to reflect human rights in our employment policies and practices.

3.1.2. We will not participate in the condoning of human rights violations.

In defining those states or organisations with whom commercial transactions could contribute to human rights violations, we will be informed by United Nations Security Council Resolutions. We will comply with any United Nations, US, UK, European Union or other legitimate regional authority financial sanctions, including those arising from alleged breaches of human rights. We will take steps to understand the potential human rights impacts of our business relationships and transactions.

3.1.3. We will be a positive corporate role model.

We will be a positive role model through the conduct of our business globally. In particular we will promote and respect human rights by contributing to the development and maintenance of accessible and reliable financial and economic infrastructure.

3.1.4. Where we discover, or are made aware, that we have been associated with human rights' violations we shall take steps to rectify the situation, taking account of the interests of those whose rights are being violated.



In cases where we discover that we are associated with violations of human rights we will take appropriate mitigating action. This may include exiting a particular business relationship, or constructive engagement with others to promote good practice.

3.2 Our responsibilities as an employer

The launch of Barclays' Purpose and Values in 2013 signified a change in the way we do business. Our common purpose is to help people achieve their ambitions – in the right way. This means measuring and rewarding our people, not just on commercial results, but on how they live our Values and bring them to life every day. This includes the way that colleagues behave towards one another and to others.

3.2.1. We have a suite of employment policies and practices in place which cover Barclays' duties as an employer and these are underpinned by our code of conduct 'The Barclays Way'. Many of these policies would not be specifically identified as 'human rights' policies. Nevertheless, they promote human rights either directly or indirectly and are consistent with or go further than, relevant UDHR articles and the Guiding Principles. The policies and practices cover a range of issues including:

- Diversity and Inclusion
- Discipline and Grievance
- Bullying and Harassment
- Recruitment and Development
- Pay and Remuneration
- Performance Management
- Health and Safety
- Raising Concerns ("whistleblowing")

Some of these policies ensure we respect the human rights of our employees, e.g.: Pay and Remuneration, Diversity and Inclusion and Health and Safety. Others provide a mechanism for preventing and mitigating human rights impacts, e.g.: Discipline and Grievance and Raising Concerns. In addition, we are also committed to respecting the right of freedom of association in all our businesses.

3.2.2. This Statement outlines a minimum standard based on the UDHR and is not a substitute for the requirement to comply with national and local employment legislation or Barclays' own employment policies and practices, where they exceed UDHR/ILO standards.

3.2.3. Where our role as an employer may associate Barclays in any way with actual or perceived human rights violations the issue should be referred to relevant senior management. Other avenues for escalation are via the reputation risk representatives and committees in businesses and at Group level, or the Raising Concerns process. It is important that any material association is flagged so that the issue can be addressed appropriately and lessons learned. All colleagues have access to a Raising Concerns hotline and email through which they can report matters of concern confidentially and without fear of retaliation.

3.2.4. We monitor the effectiveness of our approach via a variety of means, including employee engagement, satisfaction surveys, direct feedback from colleague representatives via recognised trade unions, staff associations and Works Councils, tracking of Raising Concerns referrals, mandatory “The Barclays Way” code of conduct training and assessment, and performance reviews where a strong focus is placed on adherence to Barclays’ Values.

3.3 Our responsibilities as a provider of financial services

This section should be read in conjunction with the relevant Barclays’ policies and guidance on the following issues:

- Anti-Money Laundering
- Sanctions
- Anti-Bribery and Anti-Corruption
- Gifts and Entertainment
- Defence Sector
- Environmental Sustainability
- Client Assessment and Aggregation and the related Environmental and Social Risk Standard (including adherence to the Equator Principles)
- Raising Concerns (“whistleblowing”)
- Data Protection and Privacy
- Tax Principles

3.3.1. When assessing customers’ financial propositions generally, and providing financial advice, relationship management should consider any material human rights aspects as part of their due diligence. In particular, it is important that all substantial loans to finance public or private sector projects,

corporations or governments are reviewed for potential human rights impacts as part of the assessment/sanctioning process. The undertaking of appropriate human rights due diligence is important in demonstrating adherence to the UN Guiding Principles on business and human rights, and the OECD Guidelines for Multinational Enterprises.

3.3.2. Provision of project finance must be consistent with Barclays' own Environmental and Social Risk Standard and with the Equator Principles, which include specified human rights/social risk management criteria. Issues in scope for due diligence include health and safety of communities and workers, protection of cultural heritage, involuntary resettlement and compensation, community engagement and grievance mechanisms for affected groups.

3.3.3. New financial products and services developed should be consistent with Barclays' human rights aspirations and any risks or opportunities in this area should be evaluated. The new product approval and review process takes account of social impacts and how our products and services may deliver social and/or environmental benefits.

Many financial products and services contribute to the fulfilment of people's human rights, e.g.: investment banking can facilitate the development of social infrastructure such as hospitals, schools, transport systems and water treatment works which are key to ensuring the basic human rights of surrounding communities. Retail banking can promote financial inclusion and access to banking for disadvantaged groups, and corporate and business banking can contribute to job creation and economic development through supporting businesses including small and new companies.

Barclays also has a responsibility to do everything we can to prevent our systems and operations being used in connection with financial crime e.g.: fraud, bribery and corruption, or money laundering. Bribery and corruption have an adverse effect on communities wherever they occur. They can undermine the rule of law, democratic processes and basic human freedoms, impoverishing states and distorting free trade and competition.

3.3.4. Where our involvement may associate Barclays with actual or perceived violations of human rights, the issue should be referred to relevant senior management. Other avenues for escalation are via the reputation risk representatives and committees in businesses and at Group level, or the Raising Concerns process. It is important that any material association is flagged so that the issue can be addressed appropriately and lessons learned.

3.3.5. We monitor the effectiveness of our approach through reviewing adherence to management frameworks, policies and standards, e.g.: the Environmental and Social Risk Standard, and on-going dialogue on human rights with external organisations, peer companies and initiatives.

3.4 Our responsibilities for purchasing and sourcing

This section should be read in conjunction with Barclays' policies and guidance on the following issues:

- Global Sourcing and Supplier Management (including the Supplier Code of Conduct)
- Anti-Bribery and Anti-Corruption
- Gifts and Entertainment
- Security
- Environmental Sustainability

3.4.1. Barclays seeks to support human rights through our supply chain by encouraging behaviours and practices that are in line with our own standards and policies. These behaviours and practices consider specifically: health and safety, freely chosen employment, avoidance of child labour, working hours, wages and benefits, freedom of association and diversity and inclusion.

3.4.2. Barclays has a responsibility to conduct appropriate due diligence before entering relationships with key suppliers. This will include establishing association with adverse human rights impacts.

3.4.3. There is also a responsibility to undertake appropriate due diligence to establish whether key suppliers uphold accepted employment principles in line with the Supplier Code of Conduct and People Screening standards. This may include reviewing copies of employment and health and safety policies.

3.4.4. Barclays expects suppliers to meet acceptable standards as a condition of outsourcing service functions.

3.4.5. Any supplier who is not able to demonstrate that they uphold accepted employment principles, in line with Barclays minimum control requirements, should be identified through our controls assurance

programme. This does not necessarily mean they should automatically be de-listed, but does require a more detailed investigation to be undertaken as a condition of continued business.

3.4.6. As a general rule, Barclays should seek to engage where we are confident that this will assist in improving the performance of suppliers whose policies or procedures relating to human rights may be incomplete or poorly implemented. In such cases it is important to establish whether human rights are being/continue to be upheld in practice.

The overriding factor in continuing to source from any organisation which may be associated with adverse human rights impacts will be consideration of the interests of those whose rights may be affected.

3.4.7. We should not undertake any sourcing transaction which may conflict with recognised sanctions.

3.4.8. Where a sourcing relationship may associate Barclays with actual or perceived violations of human rights, the issue should be referred to relevant senior management. Other avenues for escalation are via the reputation risk representatives and committees in businesses and at Group level, or the Raising Concerns process. It is important that any material association is flagged so that the issue can be addressed appropriately and lessons learned.

3.4.9. We monitor the effectiveness of our approach through requiring medium and high risk suppliers to conduct annual self-attestation against our Supplier Code of Conduct, which contains a human rights component. High risk suppliers will also be subject to on-site audits. Any suppliers not meeting requirements (through either self-attestation or on-site review) will then undergo a remediation process.

3.4.10. We have introduced mandatory human rights training for employees working in our procurement teams to increase awareness of human rights issues and to familiarise themselves with the requirements of the UK Modern Slavery Act.

3.5 Our responsibilities to communities

3.5.1. We will seek to understand and manage appropriately the impacts that our business may have on the communities with which we interact, including human rights impacts.

3.5.2. We will seek to promote civilised, stable and open society by upholding high standards of business conduct, including refraining from giving or receiving bribes or any unauthorised payments.

3.5.3. We will consider material human rights aspects when selecting communities or organisations to support through our community investment programmes.

3.5.4. We will work with human rights groups and other organisations to share information on human rights issues (within legal constraints) and explore ways in which the Guiding Principles and other standards can be made operational within our business.

3.5.5. We will monitor the effectiveness of our approach through mechanisms referenced in other sections of this Statement.

4. Communication

We communicate and report on our activities in the human rights area via our Citizenship reporting and disclosures, Annual Report and Accounts and the Barclays.com website.

Barclays is involved in the continuing debate about the responsibilities of business in respecting and upholding human rights e.g.: we are a member of the Thun Group of international banks, which is looking at how the financial services sector may incorporate the UN Guiding Principles into their policies and practices. We are also a member of the UN Environment Programme Finance Initiative (UNEP FI) Social Issues Advisory Group, which undertakes project work on human rights, and are a founder member of the Equator Group of Banks, which developed and reviews the Equator Principles (social and environmental criteria applicable to project related finance).

We worked with UNEP-FI to develop an online tool providing information to lenders on the human rights risks associated with different sectors.

5. Governance

The Board Reputation Committee will ensure that the content of this Statement and its associated monitoring and management systems are reviewed and revised as necessary to reflect current human rights requirements and expectations.

Appendix 1: Human Rights guidance and reference resources

The UN Guiding Principles on Business and Human Rights

The UN states that “The Guiding Principles are grounded in recognition of:

- (a) States’ existing obligations to respect, protect and fulfil human rights and fundamental freedoms;
- (b) The role of business enterprises as specialised organs of society performing specialised functions, required to comply with all applicable laws and to respect human rights;
- (c) The need for rights and obligations to be matched to appropriate and effective remedies when breached.”

http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

The Universal Declaration of Human Rights is an internationally recognised statement proclaimed in 1948 by the UN General Assembly. Governments of all member countries have endorsed the declaration as a common standard for all peoples and nations.

<http://www.un.org/en/documents/udhr/>

The UNEP FI Human Rights Guidance Tool for the Finance Sector is an online signposting tool providing information to lenders on human rights risks. Barclays played a key role in developing this tool. The tool includes background information, specific issues relating to different industry sectors, key questions to assist in impact assessment and information on relevant international laws, standards and initiatives. <http://www.unepfi.org/humanrightstoolkit/index.php>

The Thun Group of Banks is an informal group that is reviewing the implications of the UN Protect, Respect and Remedy Framework and Guiding Principles for the activities of banks and exploring ways in which they can be put into practice. http://www.csrandthelaw.com/wp-content/uploads/2013/10/thun_group_discussion_paper.pdf

The Business and Human Rights Resource Centre tracks the positive and negative human rights impacts of over 5000 businesses operating in over 180 countries. The site is updated daily.

<http://www.business-humanrights.org/Home>

The UN Global Compact asks companies to embrace a set of universal principles in the areas of human rights, labour, the environment and anti-corruption. It is a platform for the UN to engage globally with businesses. The Global Compact Office has developed a short summary document demonstrating how some key business and human rights guidance tools can be used.

[http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/Some_key_business_and_huma
n_rights_guidance_materials_and_how_to_use_them.pdf](http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/Some_key_business_and_human_rights_guidance_materials_and_how_to_use_them.pdf)

The Organisation for Economic Co-operation and Development (OECD) has published Guidelines which are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. <http://www.oecd.org/daf/inv/mne/>

The Equator Principles provide a risk management framework for determining, assessing and managing environmental and social risk relating to project finance. The Principles apply globally to all industry sectors and to four financial products: Project Finance Advisory Services; Project Finance; Project-Related Corporate Loans; Bridge Loans. <http://www.equator-principles.com/>

The Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put six 'Principles for Responsible Investment' into practice. Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision making and ownership. <http://www.unpri.org/>

Unicef Children's Rights and Business Principles guide companies on the full range of actions they can take in the workplace, marketplace and community to respect and support children's rights. They are built on existing standards, initiatives and best practices related to business and children and seek to fill gaps to present a coherent vision for business to maximize the positive impacts and minimise negative impacts on children. <http://www.unicef.org/csr/12.htm>