

Barclays Group Statement on Modern Slavery

February 2017

Introduction

As one of the world's largest financial services institutions, we understand that we need to lead by example in the way we do business. All our colleagues at Barclays are unified by a common purpose and set of values which shapes the way we think, work and act to ensure we are helping people to achieve their ambition - in the right way. This also means we aim to act fairly, ethically and openly in everything we do.

We are committed to combating the risk of modern slavery or human trafficking in our supply chains or in any part of our business. The requirements of the Modern Slavery Act 2015 (the Modern Slavery Act) reflect a drive to eradicate modern slavery in commercial organisations with operations in the United Kingdom. This is an important goal which has the full and unequivocal support of Barclays. Organisations operating in the financial services sector must not be complacent about the risk that some form of modern slavery could exist in some part of their supply chains or business.

This statement¹ covers our direct operations and supply chain. However, we acknowledge that our client and customer base constitutes a significant area that must be addressed from a modern slavery perspective; you can access information on our approach to environmental and social risk management, human rights and anti-money laundering in our [Group Statement on Human Rights, Anti-Money Laundering Statement](#) and [Environmental, Social Governance 2016 Supplement](#).

Our structure and business

Barclays is a transatlantic consumer, corporate and investment bank offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in our two home markets of the UK and the US. Our ultimate parent company, Barclays PLC, is incorporated in England and it has subsidiaries in various jurisdictions. Details of our subsidiaries and the countries in which they are incorporated, as well as our businesses, are set out in our 2016 Annual Report.

Our policies on modern slavery and human trafficking

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, 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 Declaration on Fundamental Principles and Rights at Work and other Core Conventions.

¹ This statement has been approved by the Barclays PLC board of directors and is made according to the requirements of section 54 of the Modern Slavery Act 2015 for the financial year ending 31 December 2016. This statement applies to all companies within the Barclays group that are required to have a modern slavery statement, except where they have chosen to produce their own statement.

We embed our commitment into relevant policies and statements, which are instrumental in managing our approach to modern slavery risk and have been amended to take account of the Modern Slavery Act, including:

- Our general employment policies and practices cover Barclays duties as an employer and we aim to ensure they are consistent with, or go further than, the Universal Declaration of Human Rights.
- Our [Group Statement on Human Rights](#), which outlines the relevance of human rights to our employment policies and practices, our supply chain screening and management and the responsible use of our products and services.
- Our Code of Conduct “[The Barclays Way](#)”, which defines the behaviours, standards and actions required from all employees and constitutes a reference point covering all aspects of working relationships with employees, suppliers and other stakeholders.

Engagement on human rights

We are proud to also be a member of a number of key human rights initiatives. These include the United Nations Environment Programme Finance Initiative, where we are members of the global steering committee and have been nominated joint-lead bank for social issues. We also co-lead the Equator Principles Social Risks Working Group and participate in the ‘Thun Group’, an informal group of European banks that are reviewing the implications of the UN Guiding Principles for Human Rights and Business for the financial sector.

Our supply chains and the high risk areas

With nearly 16,000 companies from more than 40 countries supplying us across a broad range of products and services, our supply chain helps us deliver services to all our customers, clients and colleagues. Our supply base is diverse, including start-ups, small and medium-sized businesses, businesses owned, controlled and operated by under-represented segments of society, as well as multinational corporations. Many of our direct suppliers have their own extensive supply chains, connecting us with thousands more businesses worldwide. It is important that our suppliers share our commitment to human rights. In regards to modern slavery, our primary focus is on those areas of our supply chain with a higher risk, which includes, but is not limited to, the manufacture of corporate uniforms, IT hardware and our sub-contracted workforce. Additionally, we are focusing on our operations in higher risk locations, particularly emerging economies and less developed countries.

Supplier due diligence processes and requirements

We have a robust process that aims to ensure we only work with appropriate suppliers who can meet the standards that we expect. We generally require suppliers to operate in accordance with our [Supplier Code of Conduct](#). It outlines how we manage human rights in our supply chain by encouraging behaviours and practices consistent with our own policies, - see the monitoring section of this statement for more information on this.

Our Supplier Code of Conduct makes specific reference to the International Labour Organisation Core Conventions and the Modern Slavery Act. Of particular relevance is the requirement for suppliers to support freely chosen employment: *work that is completed voluntarily and without slavery, servitude, forced or compulsory labour and human trafficking*. These obligations generally apply to supplier relationships regardless of the industry or geography in which they operate and our usual practice is to notify potential suppliers about this as part of our requirements before they submit a commercial bid. We do have relationships with financial institutions and market counterparties which, because of the nature of the services being provided (such as international account holding services), are not subject to our usual supplier on-boarding procedures.

When we enter into a contract with a supplier, our standard terms and conditions also require suppliers to adhere to all applicable law, including the conventions of the International Labour Organisation and the International Bill of Human Rights.

Training

We have developed a specific human rights training module that makes reference to the Modern Slavery Act. This training module is mandatory for those working in Sourcing and Supplier Management teams and will be made more broadly available to our colleagues in 2017, in order to boost awareness of human rights and modern slavery issues among colleagues.

The Barclays Way is our code of conduct which outlines the purpose and values which govern the Barclays way of working across our businesses globally. It emphasises the need to respect and value those we work with and it requires colleagues to act fairly and ethically in all that they do. The Barclays Way is refreshed annually and its integration into the business is supported by a mandatory training module to ensure that colleagues are aware of and understand the content.

Monitoring our effectiveness in combating modern slavery and human trafficking

In order to maintain high standards of integrity at Barclays, we encourage the principle of openness and speaking up to report instances where Barclays values are not being applied. We have robust whistleblowing procedures in place, through which stakeholders are free to raise concerns about the behaviour or conduct of Barclays employees. Employees can do so via our “Raising Concerns” channel and suppliers and sub-contractors through a service called EthicsPoint. Both channels can be used in confidence and anonymously. For our main suppliers we also carry out annual checks to ensure continued adherence to these standards using a combination of detailed attestations and onsite visits. The attestations make specific reference to the Modern Slavery Act and the International Labour Organisation core conventions.

Conclusion

We are proud of the steps we have taken to combat any risk of modern slavery and human trafficking being present in our business and supply chains. We will continue to be vigilant and we remain committed to improving our practices further in this area in future years. We have also commissioned an independent review to bring insights on ways we can tackle modern slavery and human trafficking. We expect this review will assess our suppliers, their industries and the geographies that they operate in, so as to support the assessment of our effectiveness in combating modern slavery, with the aim of ensuring it is not taking place in our supply chains. We will work with this independent advisor to identify possible key performance indicators to help assess our effectiveness in combating modern slavery and will provide an update on this work in future statements.



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