

World Heritage Site and
Ramsar Wetlands
Statement

April 2023



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About this document

This document updates our previous positions as set out in our Barclays World Heritage and Ramsar Wetlands Statement published in August 2020 and sets out our revised position and approach to World Heritage Sites and Ramsar Wetlands.

April 2023

Introduction

Our purpose is to deploy finance responsibly to support people and businesses, acting with empathy and integrity, championing innovation and sustainability, for the common good and for the long term. Our purpose informs our overall business strategy.

Banks have an important role to play in stewarding nature-positive finance and managing their nature-related risks. Nature and biodiversity is a growing ESG focus for Barclays and the wider industry, given that nature and its ecosystem services fundamentally underpin economies and societies. Nature and biodiversity are also important to the sector due to their interlinkages with climate change. At Barclays we recognise the important role of the finance sector in stewarding responsible finance towards a nature-positive future. We continue to work to build an understanding of the ways in which our Financing activities impact nature, as well as the ways in which the bank and our clients depend on nature. We also continue to review the ways in which our Financing activities can help to facilitate a nature-positive future.

United Nations Educational, Scientific and Cultural Organisation (UNESCO) World Heritage Sites¹ and Ramsar Wetlands² and their buffer zones are protected areas, as they are known for including areas of high biodiversity value, as well as providing important ecosystem services such as clean water, and flood protection. The action to ensure and enable the protection of areas of particular importance for biodiversity and ecosystems functions and services, was also recognised in the Kunming-Montreal Global Biodiversity Framework, adopted at COP15 in 2022, which includes a target to ensure the conservation of at least 30 per cent globally of land areas and of sea areas, by 2030.

We recognise that new projects located in these protected areas or the further development or expansion of such assets in these protected areas can have a significant negative impact on the Outstanding Universal Value that they provide due to the project's size, nature or type of industry.

We will continue to monitor important international developments relating to protected areas going forward, and these will help inform subsequent updates to this statement.

Scope of Position Statement

This statement applies to clients developing new assets or expanding existing assets in a UNESCO World Heritage Site or Ramsar Wetland and/or within their Buffer Zone(s) and covers Financing any material project development including:

1. Project Finance - for a material project located in a World Heritage Site or Ramsar Wetland and/or within their Buffer Zone(s).
2. Other Financing –Any Financing to a client where it becomes known that a client is developing or expanding assets relating to a material project in a UNESCO World Heritage Site or Ramsar Wetland and/or within their Buffer Zone(s).

A project is deemed to be material and in scope if, due to its size, type of industry and/or nature, it poses a potential risk to the Outstanding Universal Value of a World Heritage Site, or the special characteristics of a Ramsar Wetland and/or their Buffer Zone(s).

Our Approach

Restrictions on business appetite are as follows:

1. We will not provide Project Finance to support the development or expansion of material projects in World Heritage Sites and/or within their buffer zone(s). Exceptions may only be possible when 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 and/or its buffer zone;

¹ A World Heritage Site (WHS) is a place listed by UNESCO as a place of cultural or physical significance under the 1972 World Heritage Convention.

² 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.

- II. We will not provide Project Finance to support the development or expansion of material projects situated in Ramsar Wetlands and/or within their buffer zone(s). Exceptions may only be possible when there is prior consensus with the host country that such development will not adversely affect the special characteristics of a Ramsar designated site and/or its buffer zone.

Approach to Enhanced Due Diligence

All clients deemed within the scope of this position statement are reviewed on a case by case basis and subject to enhanced due diligence.

This includes analysis against specific environmental and social risk considerations, in addition to analysis against the above appetite criteria. Part of this process may include engaging the client regarding the site in question and asking targeted questions.

Additionally, and in line with Barclays' internal governance approach, all Project Finance transactions are subject to screening by the Environmental Risk team.

In terms of the specific environmental and social risk considerations assessed during the enhanced due diligence, these considerations include, but are not limited to:

- I. Identification of specific location of the project or asset, and assessment against the World Heritage Sites list and the List of Ramsar Wetlands, and/or within their Buffer Zone(s).
- II. Adherence to national environmental regulation and standards and industry best practice including agreement from host country and UNESCO if appropriate.
- III. Adherence to the Equator Principles (if a Project Finance or credit transaction is deemed in scope) and relevant IFC Performance Standards.
- IV. Evidencing how the client has identified and mitigated the impacts of their activities on World Heritage Sites and Ramsar Wetlands and/or within their buffer zone(s).

Referral and Escalation Procedure

Where client relationships or transactions are assessed as higher risk following an enhanced due diligence review, they are then considered for escalation to the appropriate business unit review committee where there is representation from the appropriate subject matter experts.

Should the issues be deemed to present a material reputation risk, these clients/ relationships would be escalated to the Group Reputation Risk Committee, which comprises members of the Group Executive Committee.

Governance

This position statement is reviewed annually and any revisions are approved by the Head of Public Policy & Corporate Responsibility. This document is also noted by the Group Executive Committee.

Definitions

1. A World Heritage Site (WHS) is a place listed by UNESCO as a place of cultural or physical significance under the 1972 World Heritage Convention.
2. 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.
3. Outstanding Universal Value refers to: 'Cultural and/or natural significance which is so exceptional as to transcend national boundaries and to be of common importance for present and future generations.' (UNESCO) An individual Statement of Outstanding Universal Value is written for all World Heritage Sites"

4. Project Finance refers to Financing of long-term, public service infrastructure or industrial projects using a non-recourse or limited recourse financial structure
5. Financing refers to primary financing and includes all lending, underwriting, arranging and distributing of debt and equity, certain trade and working capital finance transactions.