1. Barclays Sustainable Finance Framework

1.1 Defining Sustainable Finance

The Barclays Sustainable Finance Framework ("the Framework") sets out our methodology for classifying financing as sustainable and serves as the basis for tracking and disclosing our performance against our commitments. We are committed to being transparent about our definitions and approach.

Barclays has drawn on industry guidelines and principles in developing this Framework. We encourage the continued global harmonisation of initiatives to develop and implement taxonomies, supported by improved data availability and company disclosures.

Scope: Applies to all Barclays businesses globally.

Application: This Framework is designed to enable the classification and tracking of performance against our existing sustainable finance commitments as set out in the table below. It also serves to guide the development of themed green and social products which reference a specific green or social use of proceeds. Specific product propositions may then reference this Framework.

Review process: The Framework is reviewed on an annual basis.

Product scope: The Framework covers a range of financing activities including debt and equity capital markets, corporate lending and consumer lending.

M&A Advisory is not included as financing and may be reported separately.

We will review the inclusion of additional products in future versions of this Framework. As innovation in Sustainable Finance continues to accelerate, we expect to cover new products as they emerge and as market principles develop. This may include specific themes such as Transition Finance or products such as derivatives.

Accounting policy: Transparent accounting policy to track and report financing volumes by product group, aiming to apply standard industry approaches where possible.

Progress reporting: Annual update on progress against commitments in ESG and Annual Reporting.

Framework external review: Sustainalytics – see below.

Assurance: Internal review and external assurance on social and environmental financing metrics.

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1 See section 4 for further detail on product scope.
2 See section 4 for accounting policy.
### Commitment Date announced Amount Timeframe Framework coverage

<table>
<thead>
<tr>
<th>Financing facilitated in social and environmental segments</th>
<th>February 2019</th>
<th>£150bn</th>
<th>1 January 2018 to 31 December 2025</th>
<th>All thematic eligibility criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green financing facilitated</td>
<td>March 2020</td>
<td>£100bn</td>
<td>1 January 2018 to 31 December 2030</td>
<td>Green thematic eligibility criteria</td>
</tr>
</tbody>
</table>

#### 2017
Sustainable Finance Framework developed with support from Sustainalytics

#### 2018
Committed to facilitating £150bn social and environmental financing by 2025

#### 2019
Annual update to the Framework

#### 2020
- Annual update to the Framework
- Announced ambition to become a net zero bank by 2050 and to align our entire financing portfolio to the goals of the Paris Agreement
- Committed to facilitating £100bn of green financing by 2030, and to investing £175m over five years in innovative green companies

**External review**

The Framework was developed by Barclays with reference to the latest sustainable finance classification practices. It is reviewed and updated on an annual basis with support from Sustainalytics to ensure it reflects current market best practice.

Sustainalytics, a Morningstar Company, is a leading global provider of ESG and corporate governance research, ratings and analytics with extensive experience in supporting financial institutions in developing eligibility criteria and providing second-party opinions for sustainability bonds and funds. The firm has 25 years of experience in responsible investment and has developed a comprehensive understanding of trends and best practices, and a thorough process to assist organisations in integrating environmental, social and governance (ESG) considerations into their investment processes.

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*See pages 3 to 5 for our approach to calculating green financing allocation by product group including Sustainability-Linked Loans and Bonds.*
1.2 Approach

The Framework spans a wide range of products and services with a sustainable focus and applies Group-wide. Specifically, it covers:

- Eligible financing activities
  - Labelled green and social issuance (dedicated purpose financing)
  - Financing based on eligible company business mix (general purpose financing)
  - Sustainability-linked facilities (general purpose financing)
- Sustainability statements and standards
- Green eligibility criteria
- Social eligibility criteria
- Product scope and accounting basis

1.3 Eligibility Criteria

Decision tree for identifying eligible financing activity

The decision tree below sets out the process for identifying positive green and social transactions across the organisation and to track their associated financing volumes. The first step is to identify the use of proceeds of the financing transaction and then to include or exclude transactions using the relevant dedicated or general corporate purpose pathway.
Thresholds for inclusion under the general and dedicated purpose pathways

Dedicated Purpose Financing

When the financing is identified as being for a dedicated purpose, Barclays determines whether the funds are directed towards a project that falls under eligible green or social criteria and is thus eligible for inclusion.

Dedicated purpose financing is eligible for inclusion if:

1. 100% of the funds from the financing transaction are directed towards a project that is listed under the eligible green and social criteria.

Green, Social and Sustainability Bonds also automatically qualify for inclusion if they meet either of the following criteria:

2. The bond is aligned with the ICMA Green/Social Bond Principles or the Sustainability Bond Guidelines and has been reviewed and assessed by a reputable external review provider that has concluded that the green/social benefits of the bond are clear and that the bond is in compliance with the ICMA Green/Social Bond Principles or the Sustainability Bond Guidelines; OR

3. The bond has been certified under the Climate Bonds Initiative (CBI) Climate Bonds Standard.

General Purpose Financing

When the financing is for general corporate purposes, Barclays determines whether the core business of the recipient falls under the eligible green and social criteria and is thus eligible for inclusion.

Supranational and national development finance institutions automatically qualify for inclusion, regardless of whether the financing is identified as being for a general or dedicated purpose.

If the recipient of financing meets one of the following criteria, 100% of the financing is eligible for inclusion:

1. Derives greater than 90% of its revenue from ‘eligible activities’ listed under the green and social criteria; OR
2. Derives greater than 90% of its EBITDA from ‘eligible activities’ listed under the green and social criteria; OR
3. For power generators: Derives greater than 90% of its energy generation mix from qualified renewable energy sources.

Pro-rata approach (currently only applies to activities in green thematic categories)

Barclays recognises that the funding we provide to our clients to enable green activities extends beyond financing in a green format (e.g. green bonds, green loans, etc.) and financing to pure play companies (where the business mix already meets the >90% threshold set out above). In some instances, we provide funding to companies with substantial, and often growing, eligible green activities, but that are below the 90% threshold. In these instances, we treat a pro-rated part of this funding as eligible for inclusion in proportion to the share of eligible activities within the recipient company’s business mix.

In order for financing to be treated as eligible for inclusion under this approach, recipient companies must meet the following criteria:

1. Derive between 50% and 90% of its revenue from ‘eligible activities’ listed under the green criteria; OR
2. Derive between 50% and 90% of its EBITDA from ‘eligible activities’ listed under the green criteria; OR
3. For power generators: Derive between 50% and 90% of its energy generation mix from qualified renewable energy sources.
4. Meet the criteria in Barclays’ Sustainability Statements and Standards including specific restrictions and thresholds in place for sensitive energy sectors including thermal coal, fracking, arctic oil and gas, oil sands.

Due to the lack of availability of sufficiently granular revenue data for revenues in the social categories, the pro-rata approach only applies to green categories in this version of the Framework.

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5 Sustainalytics has communicated to Barclays that with respect to general purpose loans it is best practice to limit lending to pure play companies defined as those that derive more than 90% of revenues or EBITDA from eligible activities. Since Barclays is applying a pro-rata approach with sufficient exclusionary screens, Sustainalytics considers this an acceptable approach for the purpose of tracking overall sustainable finance allocations.
6 See Section 1.4 for further detail.
**Sustainability-Linked Financing**

Sustainability-linked financing instruments are bonds, loan instruments or contingent facilities (such as bonding lines, guarantee lines or letters of credit) which incentivise the borrower’s achievement of ambitious, pre-determined sustainability performance targets (SPTs). These facilities can be structured in different ways; in most cases, achievement of SPTs/improvement in sustainability performance triggers a discount to the margin, whereas poor performance triggers a premium.

Sustainability-linked facilities differ from dedicated purpose facilities in that the funds can be general purpose in nature and are not reserved for activities under the eligible green and social criteria of this Framework.

SPTs which are included in the pricing ratchet can be for individual performance metrics (e.g., reduction of GHG emissions, energy efficiency improvements, etc.) or linked to third party ESG scores. Sustainability-linked loans and bonds facilitate the integration of sustainability factors into a broader set of products and offer an additional means of engaging clients on sustainability considerations.

Sustainability-linked financing is eligible for inclusion if:

1. The sustainability-linked facility meets the criteria of the LMA/APLMA/LSTA Sustainability Linked Loan Principles or the ICMA Sustainability Linked Bond Principles.

For transparency, sustainability-linked financing is reported as a separate category to green and social financing reported on a use of proceeds basis. To the extent that sustainability-linked financing volumes can be apportioned into green and social categories based on the proportion of green and social SPTs, we will report a breakdown. Where SPTs are linked to ESG scores, the data will not be allocated to either green or social categories.

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7 [www.lsta.org/content/sustainability-linked-loan-principles-slbp/](http://www.lsta.org/content/sustainability-linked-loan-principles-slbp/)
1.4 Overview of Sustainability Statements and Standards

Independent of the eligible green and social criteria set out in this Framework, Barclays applies broader financing restrictions and enhanced due diligence requirements for specific sensitive sectors as set out in our statements and policy positions, including thermal coal, fracking, arctic oil and gas, oil sands, defence, forestry and agricultural commodities.

For full detail, see Barclays' Sustainability Statements and Standards available on our website, including:

- Climate Change
- Forestry and Agricultural Commodities
- World Heritage Sites and Ramsar Wetlands
- Soft Commodities Compact progress report
- Defence Sector
- Human Rights
- Modern Slavery

# 2. Green Eligibility Criteria

This section sets out eligible green activities, exclusions and relevant Sustainable Development Goals (SDGs).

## Energy efficiency

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial and residential buildings</strong></td>
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<tr>
<td><strong>Building level</strong></td>
<td>• Development, acquisition, retrofit and/or refurbishment of new or existing buildings achieving a rating of LEED Gold or above, BREEAM Excellent or above, or other equivalent internationally recognised green building certification schemes, complying with a recognised threshold set by the CBI, or otherwise evidenced to be performing in the top 15% of buildings in the relevant market.</td>
<td>• Improvements in appliances and equipment primarily using fossil fuel so as to avoid lock-in of fossil fuel consumption</td>
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<td></td>
<td>• Energy efficient new build buildings with an Energy Performance Certificate (EPC) rating of A or B, as issued through the Barclays Green Home Mortgage (i.e. qualifying for a pricing discount under the product criteria).</td>
<td>• Activities which result in fuel switching are eligible</td>
</tr>
<tr>
<td></td>
<td>• Retrofit of existing buildings achieving a minimum 20% energy and/or carbon emission reduction or energy efficiency after retrofit is within the top 15% of buildings in the relevant market.</td>
<td>• Cogeneration systems applied to the fossil fuel or mining industries</td>
</tr>
<tr>
<td></td>
<td>• Improvements in appliances and equipment primarily using fossil fuel so as to avoid lock-in of fossil fuel consumption</td>
<td>• Cogeneration plants powered by coal, oil or natural gas, unless the natural gas-powered plant has a clear plan to transition to low-carbon sources</td>
</tr>
<tr>
<td></td>
<td>• Activities which result in fuel switching are eligible</td>
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<td></td>
<td>• Cogeneration plants powered by coal, oil or natural gas, unless the natural gas-powered plant has a clear plan to transition to low-carbon sources</td>
<td></td>
</tr>
<tr>
<td><strong>System level</strong></td>
<td>• Energy efficiency measures: including tank and pipe insulation; draught proofing; loft insulation; low-energy lights; insulation to existing envelope components such as external walls, roofs, lofts, basements and ground floors (including measures to ensure airtightness and reduce the effects of thermal bridges); cavity wall insulation; internal wall insulation; double glazing; insulated render; external wall insulation; energy efficient external doors; etc.</td>
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<tr>
<td></td>
<td>• Heating measures: including air source heat pumps; ground source heat pumps; micro combined heat and power (micro-CHP); heating controls; replacement of old pumps with efficient circulating pumps; installation and replacement of heating, ventilation and air conditioning (HVAC) and domestic hot water systems, equipment related to district heating; etc.</td>
<td></td>
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<tr>
<td></td>
<td>• Renewable energy generation: including solar hot water; solar photovoltaic; rainfall capture; etc.</td>
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<td></td>
<td>• Resilience measures: including BS 851188 standard products to enhance resistance to flooding such as flood doors and windows or demountable barriers; measures to enhance resilience to flooding such as resilient wall and floor finishes; resilient insulation; measures to enhance resistance to heatwaves such as external shutters, external insulation; etc.</td>
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</tr>
<tr>
<td></td>
<td>• Water efficiency measures: including indoor water efficient fixture and fittings and outdoor water efficient landscaping; etc.</td>
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10 Adapted from the Green Finance Institute - Green Home Retrofit Finance Principles (GHRFP). [www.greenfinanceinstitute.co.uk/ghrfp/](http://www.greenfinanceinstitute.co.uk/ghrfp/)
### Energy efficiency

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| Public services                    | • Installation of energy efficient equipment and technology to increase the operational energy efficiency of utilities and other public services. Examples could include lighting, smart meters and peak demand management technology.  
• Improvement of heat efficiency of utilities, power plants, and other public services. Examples could include the rehabilitation of district heating systems, heat-loss reduction and/or increased recovery of wasted heat.  
• Retrofit of renewable energy power plants. | • Fossil fuel based power plants                                                                                                                                  |
| Agricultural processes             | • Improving the energy efficiency of machinery and equipment, irrigation and other agriculture processes through fuel switching only.                                                                                      |                                                                                                  |
| Transmission and distribution systems | • Retrofit of distribution systems, transmission lines or substations to reduce energy use and/or technical losses (except for capacity expansion).  
• Biofuel infrastructure including refining of eligible biofuels as defined below and transportation/pipelines. | • Projects/systems where 10%\(^{11}\) or more of electricity transmitted is fossil fuel generated, unless the grid is on a transition trajectory |

\(^{11}\) Where the share of renewables is expected to increase over time, a pro rata approach may be taken.
## Energy efficiency

| Sub-themes                        | Eligible activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Exclusions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial processes and supply chains | • Development, manufacture, distribution and/or installation of products or services that increase the energy efficiency of industrial processes.  
• Industrial/utility energy efficiency improvements involving changes in processes, reduction of heat losses and/or increased waste heat recovery. This includes the installation of cogeneration plants, powered by renewables or natural gas with a clear transition pathway to low-carbon sources.  
• Developing increased energy efficiency in a company’s existing product supply chains. | • Projects to improve the energy efficiency of fossil fuel production and/or distribution  
• Industrial processes which are inherently carbon intensive and/or primarily driven by fossil fuels and/or within heavy industries such as steel, cement, etc.  
• Cogeneration plants powered by coal, oil or natural gas, unless the natural gas-powered plant has a clear plan to transition to low-carbon sources |
| Energy efficiency technologies   | • Development, manufacture and/or installation of energy efficiency technologies and products such as efficient appliances or lighting etc.  
• Development and operation of networks, services and products that are specific to enabling the Internet of Things. This could include the deployment of 5G wireless technologies that allow for real-time responses to energy demand. | • Technologies that increase the energy efficiency of fossil fuel production and/or distribution or lock-in the use of fossil fuel based technologies and products |
## Renewable energy

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Electricity generation** | • The generation of electricity from:  
  – Wind power  
  – Solar power  
  – Geothermal power with a direct emissions threshold of <100 grams of CO₂/kWh  
  – Biomass or biogas power from waste materials or certified sustainable crops\(^\text{12}\)  
  – Ocean power  
  – Small-scale (<25MW), run-of-river hydropower  
  – Large-scale (>25MW) hydropower where the lifecycle emissions of the project and the emissions from decaying organic matter are <100gCO₂/kWh or where the power density of the dam is >5 Watts/m². | • Large hydropower (>25MW) that requires a dam/reservoir and where the lifecycle emissions of the project and the emissions from decaying organic matter are >100gCO₂/kWh or where the power density of the dam is <5 Watts/m².  
• Bioenergy production that competes with food production or decreases forestation, biodiversity, or carbon pools in soil  
• Biomass or biogas from palm, peat and non-sustainably produced crops |

\(^\text{12}\) Sustainable crops are defined as, among others, crops certified under the Roundtable on Sustainable Biomaterials (RSB) or ISCC Plus; soy certified under RTRS; sugarcane certified under Bonsucro. Additional certification schemes may be considered but should be as or more credible and robust as those listed here.

| Transmission systems | • Improvement of existing transmission systems (or other infrastructure) to facilitate the integration of electricity from renewable sources into the grid.  
• Development of new transmission systems to facilitate integration of renewable energy sources into the grid.  
• Supporting technology or infrastructure to enable transmission of renewable energy, such as information, communication and technology infrastructure, energy storage facilities or smart grid technology. | • Practices need to ensure that the best technology is used to avoid/minimise GHG emissions |
# Renewable energy

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renewable energy technologies</strong></td>
<td>Development and/or manufacture of renewable energy technologies, including equipment for renewable energy generation and energy storage. Examples could include wind turbines, solar panels, technology and equipment for the development of eligible hydro projects as defined above, batteries and hydrogen fuel cells and other energy storage devices for alternative energy (including hydrogen storage).</td>
<td></td>
</tr>
<tr>
<td><strong>Heat production and thermal energy</strong></td>
<td>Thermal applications of solar, geothermal or bioenergy in any sector including the storage of thermal energy.</td>
<td>Application of technology in the fossil fuel industry</td>
</tr>
<tr>
<td></td>
<td>Development of heat pumps.</td>
<td></td>
</tr>
</tbody>
</table>
Sustainable transport

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| Vehicle energy efficiency                 | • Vehicle, rail or boat fleet retrofit or replacement with zero-emission technologies including electric or non-polluting hydrogen technologies.  
  • Hybrid engines and technologies operating below <75 gCO₂/p-km.  
  • Acquisition/manufacture of new vehicles, locomotives and boats which are zero-emission.                                                                                                                                                                                                 | • Efficiency improvements involving conventional fossil fuel combustion engines                                                                                                                                                     |
| Urban transportation systems and infrastructure | • Development and operation of sustainable, low-carbon\(^{13}\) public or mass transportation systems for land and sea. This may include equipment and infrastructure for buses, light rail vehicles and other rapid transit systems.  
  • Development of infrastructure for non-motorised transport (bicycles and pedestrian mobility).  
  • Development and infrastructure for electric vehicles. Examples could include charging stations.  
  • Improvement of energy efficiency of transport infrastructure.  
  • Urban planning and development that leads to a reduction in the use of passenger cars. Examples could include creating walking communities, improving transit connectivity, facilitating multiple land-use or developing car-free city areas.  
  • Management of transport demand that leads to a reduction in use of passenger cars. Examples could include setting high-occupancy vehicle lanes, road pricing or parking management. | • Development and improvement of transport links to airports                                                                                                                                                                            |
| Freight transport                         | • Development or improvement of railway transport to facilitate a modal shift from road to rail.  
  • Development or improvement of water transport to facilitate a modal shift from road to waterways.                                                                                                                                   | • Systems and infrastructure used primarily for the transportation of fossil fuels                                                                                                                                                      |

\(^{13}\) Low carbon is defined as below 25 grams of CO₂/tonne-km for freight and below 75 grams of CO₂/p-km for passenger transport.
## Sustainable food, agriculture, forestry, aquaculture and fisheries

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Sustainable forestry** | • Afforestation (plantations) on non-forested land.  
  • Reforestation on previously forested land.  
  • Forest management activities that mitigate the impact of forestry. Examples could include managing the increase in soil carbon stocks.  
  • Projects and products that have received FSC and PEFC certification to promote sustainable forestry and responsible sourcing.  
  • Forest conservation projects.                                                                 | • Biofuel production that competes with food production or decreases forestation, biodiversity or carbon pools in soil |
| **Sustainable food and agriculture** | • Development of agriculture projects that do not deplete or that improve existing carbon pools, such as reduction in fertiliser use, reduction in water use (including irrigation) or reduction in pesticide use.  
  • Wildlife habitat management (including planting and expanding hedgerows), collection and use of agricultural waste or rehabilitation of degraded lands (including soil health improvements).  
  • Production of organic produce certified by EU organic, CDC organic, Rainforest Alliance or other equivalent internationally recognised certification schemes.  
  • Sustainable management of livestock to reduce methane or other GHG emissions. Examples could include manure management with bio-digesters.  
  • Investment in low-carbon agricultural technologies that improve productivity and efficiency while at the same time lowering green impact. Examples could include crop and livestock sensors, vertical farming, hydroponics or aeroponics, etc.  
  • Production of biofuels or biogas (see renewable energy section for additional details). | |
Sustainable food, agriculture, forestry, aquaculture and fisheries

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| Sustainable aquaculture and fisheries          | • Sustainable aquaculture that does not impact critical habitats and ecosystems (e.g. mangroves, wetlands, wild and endemic species) through the release of waste, contaminated water and nutrients, usage of pharmaceuticals and pesticides above safe limits and ecological interactions.  
  • Sustainable fisheries that do not deplete endangered fish stocks. Certification under the Marine Stewardship Council (MSC) for fisheries or the Aquaculture Stewardship Council (ASC) for aquaculture or other equivalent certification schemes is preferred. |                                                                                                                                                                                                                                                                   |
| Sustainable land use and biodiversity conservation | • Terrestrial and aquatic biodiversity conservation including the protection of coastal, marine and watershed environments.  
  • Sustainable management of living natural resources and land use.  
  • Rehabilitation, restoration and conservation of ecosystems from a degraded state.  
  • Restoration of upland and lowland peatlands to enhance the sequestration and long term storage of carbon from the atmosphere.                                                                 |                                                                                                                                                                                                                                                                   |
## Resource efficiency and pollution control

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Recycling and reuse**  | • Processes and infrastructure that facilitate recycling. Examples could include waste management companies which incorporate recycling and sustainable waste management practices.  
                            • New technology to facilitate maximum use of waste. Examples could include separation of materials or energy efficient recycling technology.  
                            • Treatment of bio-waste through anaerobic digestion in dedicated plants with the resulting production and utilisation of biogas and digestate.  
                            • Treatment of bio-waste through composting (aerobic digestion) in dedicated facilities with the resulting production and utilisation of compost. |                                                                                                                                                                                                          |
| **Circular economy**     | • Circular inputs: companies/projects that substitute virgin raw materials with secondary (recycled) materials originating from materials and resources recovery.  
                            • Sharing business models: companies/projects that increase the capacity utilisation of a product or asset during its useful life (e.g. through sharing and/or predictive maintenance). Sharing is circular when it optimises the utilisation of the product or asset.  
                            • Repair activities and activities that facilitate reduction in material use. Examples could include renting electric appliances instead of buying or community-based equipment sharing, etc |                                                                                                                                                                                                          |
| **GHG emission reduction** | • Developing processes/systems to reduce GHG emissions in a company’s product supply chain or reductions in GHG emissions resulting from retrofit of existing commercial, residential or industrial facilities with cooling agents that have a lower GHG footprint. | • Projects that facilitate the reduction of GHG emissions in fossil fuel production and/or distribution  
                                                                                     • Projects that apply GHG emissions capture in active landfills |
## Sustainable water

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Sustainable water management** | • Products, services and projects that attempt to resolve water scarcity and water quality issues, including minimising and monitoring current water use and demand increases, improving the quality of water supply and improving the availability and reliability of water.  
  • Infrastructure and engineering projects developing new or repairing existing water and sanitation pipelines. Examples could include equipment and technology resulting in improved quality and/or water use efficiency.  
  • Technologies and products that reduce, reuse or recycle water as a means of conservation. Examples could include smart metering devices, low-flow equipment or rainwater harvesting systems.  
  • Investments in the protection of land, forests and other vegetation in the upper watershed as a means to improve the quality of water bodies and groundwater recharge areas.  
  • Distribution of drinking water with measurable improvements to water quality, water efficiency or climate change resilience. Examples could include water utilities operating under appropriate regulatory frameworks. |                                                                                                                                           |
| **Sustainable wastewater management** | • Processes that facilitate treatment of wastewater on a large scale such as wastewater treatment plants.  
  • Development, manufacture, installation or operation of technologies, systems or facilities that recycle, compost or increase efficiency of wastewater processing. |                                                                                                                                           |
## Climate change adaptation

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change adaptation</td>
<td>• Infrastructure to increase resilience against extreme weather events. Examples could include flood mitigation barriers and wildfire mitigation and management.</td>
<td></td>
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<tr>
<td></td>
<td>• Information support systems, such as climate observation, systems for monitoring GHG emissions and early warning systems.</td>
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<tr>
<td></td>
<td>• Development and/or use of information and communications technology (ICT) solutions for the exclusive purpose of collecting, transmitting, storing and using data to facilitate GHG emission reductions.</td>
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</tbody>
</table>

## Cross-sector activities

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon financing</td>
<td>• Financing activities in carbon markets. Examples could include all financing activities relating to compliance with various national and international agreements.</td>
<td></td>
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<tr>
<td></td>
<td>• Financing, trading and enabling carbon credit purchases of projects that are otherwise eligible within this Framework and that are certified under at least one of the following standards:</td>
<td></td>
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<tr>
<td></td>
<td>– Verified Carbon Standard (VCS)</td>
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<td></td>
<td>– Gold Standard for Global Goals</td>
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<td></td>
<td>– American Carbon Registry Standard</td>
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<td></td>
<td>– Climate Action Reserve Standard</td>
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<td></td>
<td>– Plan Vivo</td>
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<td></td>
<td>– Woodland Carbon Code (WCC) for UK based afforestation projects</td>
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### 3. Social Eligibility Criteria

This section sets out eligible social activities, exclusions and relevant SDGs.

**Affordable housing**

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and provision of affordable housing</td>
<td><strong>Building level</strong></td>
<td>• US government sponsored entity (GSE) debt</td>
</tr>
<tr>
<td></td>
<td>• Development and/or operation of shelters, halfway homes or community housing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Providing affordable and low-income housing. Examples could include affordable housing financed through municipal bonds or municipal lending, affordable and low-income housing financed through Government Sponsored Enterprise (GSE) or affordable and low-income housing provided through Registered Social Landlords (UK).</td>
<td></td>
</tr>
<tr>
<td>Housing improvements</td>
<td>• Renovation, maintenance and improvement of shelters, halfway homes, community housing or other affordable and social housing projects as described above.</td>
<td></td>
</tr>
</tbody>
</table>
## Education

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-K, primary, and secondary education</td>
<td>• Development of public pre-K, elementary and secondary education facilities and programs.</td>
<td>• Private schools that are for-profit</td>
</tr>
<tr>
<td>Post-secondary education</td>
<td>• Development of community colleges, vocational schools or public and private not-for-profit universities.</td>
<td>• Private schools that are for-profit&lt;br&gt;• Sporting facilities and stadiums at universities</td>
</tr>
<tr>
<td>Education service providers</td>
<td>• Other educational programs for young people, the unemployed or other socially and/or economically marginalised populations.</td>
<td></td>
</tr>
</tbody>
</table>
## Health

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Hospitals, care facilities/clinics**          | • Development, expansion or acquisition of any buildings or facilities at any non-profit, public, standalone or university-affiliated hospital, clinic, mental health facility or healthcare facility.  
   • Development, expansion or acquisition of any buildings or facilities at any for-profit hospital, clinic or healthcare facility that guarantees access to must-serve/vulnerable populations. |                                                                                                 |
| **Community health service providers**          | • Development of any facilities for community health service providers.  
   • The provision of community-based healthcare, mental health care or social services in underserved/deprived areas or to socially and/or economically marginalised populations (e.g. the elderly). |                                                                                                 |
| **Providers supporting healthcare related products and services** | • Development of critical medical equipment or provision of diagnostic services. Examples could include MRI machines, respirators or services that support diagnostics such as laboratory testing.  
   • Research into neglected diseases and/or drugs on the World Health Organisation (WHO) essential medicines list.  
   • Sale of affordably priced or subsidised medicines on the WHO essential medicines list. |                                                                                                 |
| **Nutrition (food and water)**                  | • Developing access to nutrition (food and potable water) programs that address malnutrition.  
   • Provision of technical capacity building or training to increase nutritional quality of agricultural products.  
   • Development of equipment and drugs for food and water safety including water purification tablets. |                                                                                                 |
Affordable basic infrastructure

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunications infrastructure</td>
<td>• Infrastructure that improves connectivity for underserved populations.</td>
<td></td>
</tr>
<tr>
<td>Telecommunications services</td>
<td>• Provision of free or subsidised/discounted internet to underserved populations.</td>
<td></td>
</tr>
</tbody>
</table>
# Affordable basic infrastructure

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation infrastructure</td>
<td>• Development of roads or other transportation infrastructure to improve connectivity for underserved populations.</td>
<td>• Development of airports</td>
</tr>
<tr>
<td></td>
<td>• Free/discounted access to transportation infrastructure for marginalised populations.</td>
<td></td>
</tr>
<tr>
<td>Other basic infrastructure</td>
<td>• Development, expansion or improvement of access to clean drinking water, sanitation and clean energy for underserved populations.</td>
<td></td>
</tr>
</tbody>
</table>
## Economic inclusion

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Employment generation and job training** | • Development of trade schools, job training or job placement programs for the underemployed, young people, women, veterans and any other vulnerable populations. This could also include rehabilitation and job training programs for inmates.  
  • Development or provision of agricultural training programs to increase uptake of new technology and introduce efficient farming practices.  
  • Infrastructure projects that generate local employment opportunities in areas of high unemployment, underserved and/or deprived areas.  
  • Businesses targeting employment of marginalised populations in areas of high unemployment, underserved, and/or deprived areas. Examples could include new factories, offices or retail parks employing a significant proportion of employees from marginalised populations (e.g. people with disabilities, homeless, etc.). | • Commercial development and private sector projects for carbon-intensive industries                                                                                                                                                                                                     |
| **Access to credit and financing**        | • Microfinance lending.  
  • SME lending in emerging markets.                                                                                                                                                                                                                                                                                                                  | • Payday loans  
  • High interest MFI loans  
  • SME loans that finance any involvement in alcohol, tobacco, gambling, military weapons or small arms                                                                                                                                                                                                                                           |
| **Regeneration of and access to public spaces** | • Development of and free/discounted access to recreational centres (e.g. YMCA/YWCA, etc.), cultural centres or museums in areas of high unemployment, underserved and/or deprived areas.  
  • Development of and free/discounted access to libraries in areas of high unemployment, underserved and/or deprived areas.  
  • Development of parks and other recreational public spaces in areas of high unemployment, underserved and/or deprived areas.                                                                                                                                                        | • Professional stadiums and sports centres                                                                                                                                                                                                                                               |
## Cross-theme

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
</table>
| **Financing non-profit institutions and social enterprises** | - Lending to non-profit organisations and/or registered charities in the UK that are substantially focused on the green or social themes in this Framework.  
- Lending to social enterprises that have programs and/or activities that fall under any of the green or social themes and that reinvest at least 50% of profit into solving social or green challenges. | |
| **Financing development banks, national development banks, intergovernmental organisations or supranational organisations** | - Raising capital for, lending to or co-investing with Development Banks or Development Finance Institutions (DFIs) (e.g. World Bank, European Bank for Reconstruction and Development (EBRD), International Bank for Reconstruction and Development (IBRD), African Development Bank (AFD), etc.), Intergovernmental Organisations (IGOs) (e.g. UN agencies, etc.), supranational organisations with a development mandate (e.g. European Investment Bank (EIB), Nordic Investment Bank, etc.) or National Development Banks (e.g. KfW, Development Bank of Japan (DBJ)), where to the best of our knowledge the proposed projects are otherwise eligible under this Framework. | - Stabilising mechanisms, specifically the European Financial Stabilisation Mechanism (EFSM) and European Financial Stability Facility (EFSF) |
## Cross-theme

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Eligible activities</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directed purpose financing to assist municipalities to transition out of debt</td>
<td>• Debtor-in-possession financing and restructuring of financing provided to municipalities specifically to assist their transition out of bankruptcy and allow for the continued provision of essential services to residents.</td>
<td></td>
</tr>
</tbody>
</table>
4. Product Scope and Accounting Basis

The below products are included within the scope of Barclays’ social and environmental financing commitment to facilitating £150bn between 2018-2025 and green finance commitment of facilitating £100bn between 2018-2030. We include both new facilities and refinancing of existing facilities.

<table>
<thead>
<tr>
<th>Business unit</th>
<th>Product</th>
<th>Description</th>
<th>Frameworks</th>
<th>Accounting basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIB – Banking</td>
<td>Debt Capital Markets (DCM)</td>
<td>Corporate, supranational, sovereign issued green/social/sustainability bonds and government related development bank issuances</td>
<td>Barclays Sustainable Finance Framework ICMA Green, Social and Sustainability Bond Principles</td>
<td>Proportional bookrunner share</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CBI Bond Standard</td>
<td></td>
</tr>
<tr>
<td>Equity Capital Markets (ECM)</td>
<td>Initial public offerings (IPOs), follow-on offerings (FPOs), convertible bonds, at-the-market (ATM) transactions and ESG special-purpose acquisition company (SPAC) transactions</td>
<td>Barclays Sustainable Finance Framework</td>
<td>Proportional bookrunner share 14</td>
<td></td>
</tr>
<tr>
<td>Syndicated Loans</td>
<td>Loans for qualifying social and green themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>Proportional bookrunner share</td>
<td></td>
</tr>
<tr>
<td>Private Capital Market (PCM)</td>
<td>Private placements for qualifying social and green themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>Proportional bookrunner share</td>
<td></td>
</tr>
<tr>
<td>Commercial Mortgage Backed Securities (CMBS)</td>
<td>CMBS deals that have underlying green assets that are LEED certified</td>
<td>Barclays Sustainable Finance Framework</td>
<td>Proportional bookrunner share</td>
<td></td>
</tr>
<tr>
<td>Sustainability-Linked Loans (SLLs) 15</td>
<td>Sustainability-linked financing instruments are loan instruments or contingent facilities which incentivise the borrower to achieve a pre-determined sustainability target or targets by linking them to the pricing mechanism of the facility. Sustainability targets which are included in the pricing ratchet can be for individual performance metrics or linked to third party ESG scores. SLLs/SLBs facilitate the integration of sustainability factors into a broader set of products and offer an additional means of engaging clients on sustainability considerations</td>
<td>Barclays Sustainable Finance Framework LMA Sustainability Linked Loan Principles</td>
<td>Barclays’ hold of the deal value</td>
<td></td>
</tr>
<tr>
<td>Sustainability-Linked Bonds (SLBs)</td>
<td></td>
<td>Barclays Sustainable Finance Framework ICMA Sustainability Linked Bond Principles</td>
<td>Proportional bookrunner share</td>
<td></td>
</tr>
</tbody>
</table>

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14 ESG SPAC transactions are only recognised at the time that vehicle merges with acquisition company.

15 Sustainability-linked loans are originated in both the Investment Bank and the Corporate Bank.
<table>
<thead>
<tr>
<th>Business unit</th>
<th>Product</th>
<th>Description</th>
<th>Frameworks</th>
<th>Accounting basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIB – Markets</td>
<td>Municipal Financing</td>
<td>Municipal bonds for qualifying social and green themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>Proportional bookrunner share</td>
</tr>
<tr>
<td></td>
<td>Securitised Products</td>
<td>Securitised products across asset classes including asset-backed securities, residential and commercial solar loan securitisation, real estate and electric vehicles</td>
<td>Barclays Sustainable Finance Framework ICMA Green Bond Principles CBI Climate Bond Standard</td>
<td>Proportional bookrunner share</td>
</tr>
<tr>
<td>CIB – Corporate Banking</td>
<td>Green Loans&lt;sup&gt;16&lt;/sup&gt;</td>
<td>Green Loan is a term lending product for use in eligible green themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits)</td>
</tr>
<tr>
<td></td>
<td>Green Trade Finance</td>
<td>Financial products that facilitate trade flows and transactions between importers and exporters across both domestic and international markets</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits)</td>
</tr>
<tr>
<td></td>
<td>Green Asset Finance</td>
<td>Green Asset Finance are Asset Finance products where the purpose of the funding is used exclusively for assets eligible green activities as defined by this Framework</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits)</td>
</tr>
<tr>
<td></td>
<td>Infrastructure and Project Finance</td>
<td>Infrastructure Project Finance for eligible projects that support qualifying green themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits) Barclays’ hold of deal value</td>
</tr>
<tr>
<td></td>
<td>Public Sector Finance</td>
<td>Public sector lending for qualifying social themes</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits)</td>
</tr>
<tr>
<td></td>
<td>Other Green Loans</td>
<td>Loans (includes any type of loan instrument to finance or re-finance) to companies whose business mix is eligible as per this Framework</td>
<td>Barclays Sustainable Finance Framework</td>
<td>New facilities provided (limits)</td>
</tr>
</tbody>
</table>

<sup>16</sup> Green loans are originated in both the Corporate Bank and the Business Bank within Barclays UK.
### Consumer businesses

**Green Home Mortgage**

Mortgage product that rewards customers for purchasing an energy efficient new build home. It offers a lower interest rate in comparison to the equivalent core range and is available to customers purchasing an EPC (energy efficiency) A or B rated new build home from a select group of partner house builders.

**Frameworks**

Barclays Sustainable Finance Framework

**Accounting basis**

Total mortgage lending

### Sustainable Investing

- **Direct investments into investment funds focused on sustainable and social impact related businesses**
- **Private market, private equity and private debt**
- **Green thematic fund investment**
- **Structured Products with a relevant green use of proceeds**

**Frameworks**

Barclays Sustainable Finance Framework

**Accounting basis**

Total funds invested

### Barclays Treasury

**Treasury Issuances and Investments**

- **Treasury Principal investments (Sustainable Impact Capital initiative)**
- **Additional Treasury investments**

**Frameworks**

Barclays Sustainable Finance Framework

Barclays Green Bond Framework

**Accounting basis**

New capital invested

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### Reporting Overview

Public capital markets transaction data is collected from Dealogic and Bloomberg. Data for all other products is sourced from Barclays’ internal lending systems.

Each transaction is assessed against the eligible green and social criteria in this Framework or against the LMA Sustainability Linked Loan Principles or the ICMA Sustainability Linked Bond Principles for sustainability-linked facilities.

All data is reviewed by business teams and subject to central checks by Finance and the Sustainability & ESG team before finalisation. We are continuing to invest in enhancing data capture and classification processes. This includes a new dedicated team within our Global Finance function to continue to enhance processes, systems and controls for green and sustainable finance reporting.

Barclays reports on progress against our financing commitments in the ESG Report on an annual basis.

See: [https://home.barclays/society/esg-resource-hub/](https://home.barclays/society/esg-resource-hub/)

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[17] [https://home.barclays/investor-relations/fixed-income-investors/funding-and-liquidity/green-bonds/](https://home.barclays/investor-relations/fixed-income-investors/funding-and-liquidity/green-bonds/)