



Protected Areas Statement

February 2025

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About this document

This statement updates our previous position as set out in the Barclays World Heritage Site and Ramsar Wetlands Statement, published in April 2023, and sets out our revised position and approach to Protected Areas.

The objective of this policy is to support the preservation of biodiversity and ecosystems in Protected Areas through restrictions on financing of certain projects subject to the criteria set out in the policy and enhanced due diligence.

February 2025

Introduction

Banks have an important role to play in contributing to nature positive outcomes through the provision of finance and through managing nature-related risks associated with their business activities. Nature is a key sustainability focus for Barclays and the wider industry, given that nature and its ecosystem services fundamentally underpin economies and societies. It is also important to the banking sector due to the interlinkages with climate change and social impacts. At Barclays we recognise the important role of the finance sector in stewarding responsible finance towards a nature positive future and continue to work to build an understanding of the ways our activities and those of our clients impact and depend on nature and could help to contribute to nature-positive outcomes.

The need for action to ensure and enable the protection of areas of high biodiversity importance was recognised in the Kunming-Montreal Global Biodiversity Framework, adopted at COP15 in 2022, which includes a target to ensure the conservation and management of at least 30 per cent globally of land areas and of sea areas by 2030.

Protected Areas are known for including areas of high biodiversity value and have a crucial role to play in tackling the global biodiversity crisis, as well as helping to mitigate and adapt to climate change. They are important for supporting human life through the ecosystem services they provide, as well as providing cultural and recreational value. Despite their protected status, around one third of the world's protected areas are under intense human pressure related to urbanisation, infrastructure development, and resource extraction¹.

We recognise that new projects located in Protected Areas, or the further development or expansion of such assets, can have a significant negative impact on the integrity of these sites and the value they provide to nature and society due to the project's size, nature or type of industry.

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

Additional restrictions

Additionally, the Barclays Climate Change Statement and Forestry and Agricultural Commodities Statement contain certain financing restrictions relating to the Amazon biome, Cerrado biome, Chaco biome, the Arctic Circle, High Conservation Value (HCV) areas, peatlands and natural forests. Please refer to these statements for details on the exact scope and application of the relevant restrictions².

¹ <https://www.science.org/doi/10.1126/science.aap9565>

² <https://home.barclays/content/dam/home-barclays/documents/citizenship/our-reporting-and-policy-positions/Climate-Change-Statement.pdf>

<https://home.barclays/content/dam/home-barclays/documents/citizenship/our-reporting-and-policy-positions/Forestry-and-Agricultural-Commodities-Statement.pdf>

Scope of Statement

This statement applies to clients developing new assets or expanding existing assets in a Protected Area and/or within its Buffer Zone(s); specifically it covers Financing any material project development including:

1. Project Finance - to support the development or expansion of a Material Project located in a Protected Area and/or within its 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).

Restrictions and Requirements

Restrictions on business appetite are as follows:

From the date of this statement, subject to the granting of an exception as outlined below, we will not provide Project Finance to support the development or expansion of a Material Project in a Protected Area and/or within its Buffer Zone(s).

Exceptions to this restriction may be granted where:

- We consider that the Material Project will not Significantly Convert or Degrade the Protected Area and/or its Buffer Zone, or Barclays determines that the Mitigation Criteria have been met in relation to the Material Project; or
- The host government has approved the Material Project on the basis of national interest in relation to broader environmental or social considerations, such as the climate transition; and for World Heritage Sites and Ramsar Wetlands it has agreed (with UNESCO where relevant) that it will not adversely affect the Outstanding Universal Value or special characteristics of the site.

Approach to Enhanced Due Diligence

We conduct enhanced due diligence on a case-by-case basis on clients in scope of this statement. This approach is risk based and projects are analysed against specific environmental and social risk considerations in addition to the above requirements which include, but are not limited to:

- I. Identification of specific location of the project or asset, and assessment in relation to Protected Areas and/or their Buffer Zone(s).
- II. Adherence to environmental regulation and standards and industry best practice including agreement from host country and UNESCO if appropriate.
- III. Adherence to the Equator Principles (if the transaction is deemed to be in scope) including, where appropriate, any relevant International Finance Corporation (IFC) Performance Standards.
- IV. Evidencing how the client has identified and made plans to mitigate the impacts of their activities on the Protected Area, and/or within its Buffer Zone(s).
- V. Approach to stakeholder engagement and consultation, including its commitment and adherence to the principles of Free Prior Informed Consent (FPIC) where indigenous peoples may

be impacted by their operations.

Application of Statement

The application of the provisions in this statement is subject to compliance with applicable laws and regulations, which may change from time to time.

Referral and Escalation Procedure

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

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

Governance

Any review of this statement will be undertaken by the Barclays Group Sustainability Committee with escalation to the Barclays Board Sustainability Committee or Barclays Board (if appropriate).

Third Party Data

To the extent this statement requires the assessment of a project or client's activities, we may rely on publicly available information and/or information provided by third party data providers. We note, however, that such data/information can be challenging to obtain, verify and assess. Where data is not available or is not of a reliably high quality, this may impact our ability to apply restrictions and other provisions set out in this statement. Barclays shall have no liability for any errors or omissions in connection with any third-party data which it relies on and considers to be credible.

Key Definitions

Term	Explanation
Buffer Zone	<p>In cases where a Protected Area has a buffer zone, this consists of the area between the core protected areas and the surrounding landscape or seascape which protect the network from potentially damaging external influences and which are essentially transitional areas.</p> <p>Source: IPBES</p> <p>The scope and existence of a buffer zone depends on the site and its unique characteristics and will be determined based on Barclays' case by case assessment.</p>

Finance or Financing	<p>Refers to all primary financing activity through lending (including reserve-based lending agreements), underwriting, arranging and/or distribution of debt or equity, as well as trade and working capital finance and excludes, without limitation, any debt or securities traded or placed through secondary market activity.</p> <p>Barclays may occasionally continue to be involved in primary financing activity for distressed entities such as (without limitation) debt for equity swaps and other recapitalisation activities. When undertaking such activity, Barclays has a responsibility to minimise losses and will look to deploy possible financing options to manage distressed positions and/or maximise recoveries where it is a liability holder. Such financing arrangements are not typically for the purposes of funding the ongoing operational activity of the distressed entity. Accordingly, any such activity is excluded from the definition of financing.</p>
Material Project	<p>A project which Barclays determines, due to its size, type of industry and/or nature, poses a potential negative risk to the integrity of a Protected Area and/or its Buffer Zone(s).</p>
Outstanding Universal Value	<p>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. Source: UNESCO</p>
Mitigation Criteria	<p>The criteria set out in the IFC Performance Standard 6 (as at February 2025) which requires that all of the following are demonstrated:</p> <ul style="list-style-type: none"> • No other viable alternatives within the region exist for development of the project on modified habitat; • Consultation has established the views of stakeholders, including Affected Communities, with respect to the extent of conversion and degradation; and • Any conversion or degradation is mitigated according to the mitigation hierarchy. <p>Source: IFC PS6</p>
Project Finance	<p>Refers to transactions that are a form of loan financing originated by Barclays (either as an agent or as part of a syndicate) where the repayment depends primarily on the project's cash flow and on the collateral value of the project's assets. Project Finance excludes corporate level asset financing.</p>
Protected Area	<p>A Protected Area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long term conservation of nature with associated ecosystem services and cultural values. Source: IUCN</p>
Ramsar Wetlands Site	<p>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. Source: Ramsar</p>

<p>Significantly Convert or Degrade</p>	<p>As defined by the IFC Performance Standard 6 (as at February 2025): (i) the elimination or severe diminution of the integrity of a habitat caused by a major and/or long-term change in land or water use; or (ii) a modification that substantially minimizes the habitat’s ability to maintain viable populations of its native species. Source: IFC PS6</p>
<p>World Heritage Site</p>	<p>A World Heritage Site is a place listed by UNESCO as a place of cultural or physical significance under the 1972 World Heritage Convention. Source: UNESCO</p>