

Barclays & The Green Agenda

March 2019





Barclays Energy and Climate Change Statement

14 January 2019

Climate change represents one of the greatest challenges faced by the world today.

3 key areas of activity at Barclays:

- Financing the growth of renewable energy sources;
- Taking a responsible and sustainable approach to requests for financing of sources of energy that are more carbon intensive or those with higher environmental impact; and
- Reducing the carbon footprint of our own operations and supply chain throughout the world.

Why Is Green Important To Our Customers?

With recent media coverage around pollution and natural resource depletion, there has been a collective realisation about the importance of the Green Agenda and how climate change will affect the economy.

Companies with a focus on eco-innovation are currently growing at an annual rate of 15%



Consumers care so businesses should too

Consumer Facts



45% Of consumers said they purchased the product because it was from a company known for being environmentally friendly.



41% Of consumers said they purchased a product because the packaging was environmentally friendly.



34% Of consumers said they purchased the product after seeing an ad on television about the social and/or environmental good the company was doing.

Source: Nielsen Global Survey of Corporate Social Responsibility



Key Customer Drivers For Green Engagement

Other than the consumer what are the other three key drivers for green engagement with customers?

Regulation

There are a number of regulatory changes on the horizon that could affect your business.

Policy Amendments

Emissions Targets

Business Reputation

Reputation as a small business is one of the key drivers for success. Making efforts to adapt to a Green Agenda could make small business more appealing.

Stakeholder Engagement

Employee Engagement

Community Impact

Commerciality

The Green Agenda is increasingly affecting customer purchasing decisions. Having plans in place could give your business a valuable edge.

Key Differentiator

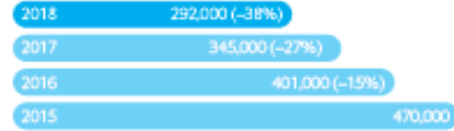
New Technologies

Cost Efficiencies

What Are Barclays Doing About Green?

Carbon emissions reductions (tonnes)
(from 2015 baseline)*

-38%[△]



GHG intensity emissions/ FTE (tonnes)

3.5



Energy intensity kWh/m²

429



Water consumption (m³)

-26%



Barclays is committed to managing our own operational footprint and reducing our absolute carbon emissions. Having achieved our existing goals, we have set ambitious new targets to reduce our emissions through the procurement of renewable energy and improve our waste recycling.



GREEN PRODUCT FRAMEWORK



Barclays has collaborated with Sustainalytics, a leading global provider of environmental, social and corporate governance research and ratings, to develop a custom impact eligibility framework that identifies projects and activities that have a positive environmental impact.

Sustainalytics has extensive experience in supporting financial institutions in developing eligibility criteria for green products and funds and providing external review for green bonds.

Barclays Green Products

Product Innovation:

Green Loans as well as Green Asset Finance and Trade Loans

Green Deposit

Barclays Green Home Mortgage

Green Bond Investment Fund

We also structured the first Sustainability-linked Revolving Credit Facility for a US borrower.

Green finance products

- Green Asset Finance - Financing of green assets through lease purchase, finance and operating leases.
- Green Loans - Lending for a variety of green and energy-efficiency projects.
- Innovation Finance - Financing of up to £5m at competitive rates to support Green business innovation in small to medium-sized UK businesses.
- Green Deposits - Allows our largest clients to earmark their cash balances against the green assets held on Barclays' balance sheet.
- Green Trade Loans - Supporting the green working capital needs of clients from procurement through to final sale of goods.
- Barclays Green Home Mortgage - Reward homebuyers who choose to buy an energy efficient new build home with lower interest rates on their mortgage.

Barclays develops first sustainability-linked credit facilities in the US

Barclays' Social Impact Banking Group (see page 46) was created in 2018 with support from our Social Innovation Facility. As a result of the Group's activities, Barclays acted as the sole sustainability structuring agent on the first syndicated sustainability-linked revolving credit facility for a US corporate borrower. The aggregate US\$1.4bn of new facilities enable longstanding client CMS Energy and its primary subsidiary Consumers Energy (CMS) to reduce its loan interest rate payable through meeting defined targets related to environmental sustainability, specifically renewable energy generation. In addition to the structuring role, Barclays served as a Joint Lead Arranger and lender for the facilities.

We anticipate that sustainability-linked structures will continue to gain traction in the market, especially among borrowers such as CMS that have explicit and forward thinking environmental objectives.

Claire O'Connor,
Head of Loan Capital Markets.



Supporting Innovation in Environmental Solutions

Some solutions to the world's social and environmental challenges lie in the minds of creative and innovative entrepreneurs and Barclays commits to supporting entrepreneurs with ambitions to have a positive social and environmental impact, particularly those that are scaling rapidly:

Hyperlink
[Press here](#)

Sustainable Development Goals

Barclays supports the delivery of the United Nation's Sustainable Development Goals (SDGs) through our financing activities and our programmes and partnerships.

We continue to support global partnerships such as the United Nations Environment Programme Finance Initiative, Equator Principles, the Banking Environment Initiative and the Green Finance Initiative.

In addition, we are members of and signatories to the Financial Stability Board sponsored Taskforce on Climate-Related Financial Disclosures.

Our primary role is in financing solutions that work towards achieving the Sustainable Development Goals

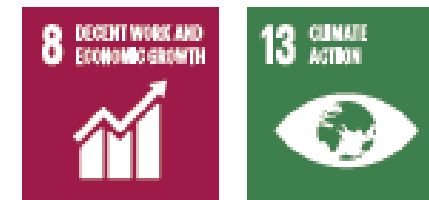
Financing solutions

Each of the 17 Goals will require adequate financing in order to achieve its underlying targets. Barclays' most significant contribution will be achieved through providing financing solutions that tackle the issues underpinning each of the Goals. Funding solutions might include access to capital markets, direct lending and investment products.



Targeted initiatives

We magnified our focus on two of these Goals - Goals 8 and 13 - which we can strategically drive forward, not only through our core business activity, but also through our community programmes and partnerships.





Thank you



[https://home.barclays/investor-relations/reports-and-events/annual-reports/
Environmental Social Governance Report 2018](https://home.barclays/investor-relations/reports-and-events/annual-reports/Environmental%20Social%20Governance%20Report%202018)