

# BDS MOVEMENT | UCL

## UCL, Barclays & Complicity in Israeli Apartheid, Occupation & Genocide

### Barclays & Complicity in Israeli Apartheid, Occupation & Genocide

Barclays is one of Europe's largest banks and, like all banks, finances a large range of companies and business ventures through financial investments, loans and underwriting of bonds. However, not all banks are equal in the composition of their financing portfolio - many choose to adopt ethical policies that exclude fossil fuel and arms companies. Barclays is not one of them.

Barclays has over £2 billion in shares of eight companies that have been identified as providing arms and components to Israel, and over £6.1 billion in loans and underwriting to seven as of December 2023.<sup>1</sup> These are BAE Systems, Boeing, Caterpillar, Elbit Systems, General Dynamics, QinetiQ, Rolls-Royce, Leonardo, Lockheed Martin and Raytheon,<sup>2</sup> which have been identified and called upon by UN experts to immediately cease their arms transfers, warning that:

"These companies, by sending weapons, parts, components, and ammunition to Israeli forces, risk being complicit in serious violations of international human rights and humanitarian laws,"<sup>3</sup>

In the period between 2021 to 2023, Barclays provided:<sup>4</sup>

- Over €1 billion in loans to Boeing who in the same period have provided Israel with >5000 GBU-39 guided glide bombs, 1800 JDAM guided glide bombs and are currently preparing 4 KC-46A tanker/transport aircraft for delivery.
- €384 million in loans and €478 million in underwritings to Lockheed Martin who are preparing 12 CH-53K transport helicopters and 17 F-35A fighter aircraft (6 of which have already been delivered).
- €375 million in loans to Rolls-Royce who are providing MTU engine for Eitan armoured vehicles (10 of which have already been delivered).
- €193 million in loans, €35 million in underwritings to Leonardo who have provided 4 Super Rapid 76mm naval guns and are preparing 12 AW-119 light helicopters (7 of which have already been delivered).

<sup>1</sup> Barclays: Arming Israel's apartheid and genocide, May 2024, PSC, <https://palestinecampaign.org/wp-content/uploads/Barclays-report-May-2024-v3-FINAL.pdf>

<sup>2</sup> Israel's Arms Suppliers, May 2021, Campaign Against Arms Trade, <https://caat.org.uk/data/countries/israel/israels-arms-suppliers/>

<sup>3</sup> States and companies must end arms transfers to Israel immediately or risk responsibility for human rights violations: UN experts, 20 June 2024, OHCHR,

<https://www.ohchr.org/en/press-releases/2024/06/states-and-companies-must-end-arms-transfers-israel-immediately-or-risk>

<sup>4</sup> The companies arming Israel and their financiers report, Banktrack, June 2024, [https://www.banktrack.org/download/the\\_companies\\_arming\\_israel\\_and\\_their\\_financiers/report\\_the\\_companies\\_arming\\_israel\\_and\\_their\\_financiers\\_june\\_2024.pdf](https://www.banktrack.org/download/the_companies_arming_israel_and_their_financiers/report_the_companies_arming_israel_and_their_financiers_june_2024.pdf)

## Barclays & Other Unethical Financing

Barclays is also the largest financier of fossil fuel corporations and projects in Europe, with \$24.221 billion of financing in 2023 alone and \$235.189 billion since the 2016 Paris agreement.<sup>5</sup> At a time when the International Energy Agency (and UCL researchers themselves<sup>6</sup>) has warned there can be no new fossil fuel projects in order to achieve net zero by 2050, Barclays has put \$24.221 billion into major companies expanding their fossil fuel projects and is the 5<sup>th</sup> biggest financier of Arctic fossil fuel extraction companies in 2023.<sup>7</sup> Despite their steady decreasing of their share of the finance market to fossil fuel companies, they are still the largest financier in comparison with UCL's alternative banking choices, with almost two times more invested in the industry than the second highest UK bank.<sup>8</sup> Barclays also finances several other controversial corporations and projects, including:<sup>9</sup>

- Adani Group: environmental and human rights abuses, fossil fuel expansion and alleged fraud and corruption for whom Barclays has provided a corporate loan of \$250 million from May 2022 until May 2025.
- Cargill: Palm oil provider and environmental and human rights abuses, for whom Barclays has underwritten bond issues for.
- CareCivic: migrant detention and for-profit detention, using prisoner labour to which Barclays has shares and has underwritten one or more bond issues.
- The Mountain Valley Pipeline: a fracked gas pipeline project threatening indigenous rights and environmental destruction, for which Barclays has provided corporate loans of \$150 million up until January 2024 and \$240 million up to May 2025 and underwritten three bond issues.

## UCL & Barclays

Since UCL banks with Barclays, the universities' money will be used by Barclays to finance these sorts of corporations and their projects.

UCL also advertises Barclays to new students to open accounts with<sup>10</sup> and platforms them at freshers and career fairs; this way UCL supplies new customers to Barclay's to increase their financing revenue and new graduates to bolster their workforce.

As UCL has increasingly moved into the business of incubating spin-out start-up companies from university research, it has entered a comprehensive and close set of direct partnerships with Barclays - increasing Barclay's social prestige and benefiting their business reputationally and financially. These projects include:

- In 2018, the UCL Faculty of Laws and Faculty of Engineering partnered with Barclays Eagle Labs to launch a new "law-tech incubator"<sup>11</sup> based in Notting Hill, London.
- In 2018, the UCL School of Life and Medical Sciences and Faculty of Engineering partnered with Barclays to launch the P4 Precision Medicine programme, a start-up incubator for the

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<sup>5</sup> Banking on Climate Chaos Report 2024, page 13.

[https://www.bankingonclimatechaos.org/wp-content/uploads/2024/06/BOCC\\_2024\\_vF2.pdf](https://www.bankingonclimatechaos.org/wp-content/uploads/2024/06/BOCC_2024_vF2.pdf)

<sup>6</sup> No new fossil fuel projects needed in the transition to Net Zero, UCL, 30 May 2024 <https://www.ucl.ac.uk/news/2024/may/no-new-fossil-fuel-projects-needed-transition-net-zero>

<sup>7</sup> Barclays, Banking of Climate Chaos, 2024, page 12 & 64, <https://www.bankingonclimatechaos.org/?bank=Barclays#fulldata-panel>

<sup>8</sup> Ibid. \$24.221 Billion financed in 2023 by Barclays versus \$12.864 Billion by HSBC, from Banking on Climate Chaos Report 2024

<sup>9</sup> BankTrack: Barclays, 2024, <https://www.banktrack.org/bank/barclays>

<sup>10</sup> High Street Banks UCL,

<https://www.ucl.ac.uk/students/international-students/international-support/money-and-finances/banks-uk/high-street-banks>

<sup>11</sup> UCL, Barclays and Capital Enterprise launch incubator to boost healthcare start-ups, UCL,

2019, <https://www.ucl.ac.uk/news/2019/jul/ucl-barclays-and-capital-enterprise-launch-incubator-boost-healthcare-start-ups>

health care industry, based at IDEALondon, which is “UCL’s flagship tech hub in Shoreditch.”<sup>12</sup>

- In 2019, UCL East launched the East London Inclusive Enterprise Zone (ELIEZ) in partnership with Barclays Eagle Labs as “the first fully accessible, specially designed space for entrepreneurs and business leaders who are disabled or are focused on servicing disabled people.”<sup>13</sup>
- In 2019, the UCL Faculty of Engineering launched Conception X in partnership with Barclays as “a ‘venture builder’ that creates investable, early-stage deep tech start-ups founded by the nation’s best and brightest PhD Students.”<sup>14</sup>
- In 2023, UCL launched the London Social Venture Fund in partnership with Barclays Eagle Labs to provide “early funding for new London start-ups pursuing a social goal.”<sup>15</sup>

UCL Business, the university’s “technology transfer company,” also lists Barclays as a partner that helps “to translate UCL AI innovation into new companies and licensing opportunities with global impact.”<sup>16</sup> In many of these partnerships with UCL, Barclays staff are working on-site alongside UCL academics and students to provide business mentorship.

If UCL is committed to its policies of ethical investments, believing that its money and influence should not be used in unethical ways that are harmful to humanity and the environment<sup>17</sup> - it should be called into question why UCL banks, platforms and partners with a corporation which is doing just that.

UCL argues that it cannot bank with another provider, as other banks who are capable of handling the size and complexity of UCL’s accounts are also fossil fuel investors. As we have illustrated, the size of Barclays’ financing must be taken into account in comparison with other options. Therefore, this does not explain UCL’s position to promote Barclays to students and its decision to benefit socially and financially from public professional partnerships. Whilst the argument goes that UCL “can have a greater impact on Barclays by engaging with them, alongside our peers in the sector, than disengaging entirely”<sup>18</sup> - Barclays would have a far greater incentive to change course if a powerful institution like UCL refused partnerships and minimise its contact with the bank until it did. Continuing to partner with Barclays indicates a level of acceptability and implements no concrete financial or social penalty to its policies and behaviour and therefore provides very little incentive to change.

We call on UCL to:

- Stop banking with Barclays
- End all its direct business partnerships with Barclays
- Stop advertising Barclays to students
- Issue a public statement condemning the bank’s involvement with arms industries and supplying the IDF and its substantive investments in fossil fuels

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<sup>12</sup> UCL partners with Barclays Eagle Labs new law-tech initiative to help transform the legal industry, UCL.

2018, <https://www.ucl.ac.uk/news/2019/jul/ucl-barclays-and-capital-enterprise-launch-incubator-boost-health-care-start-ups>

<sup>13</sup> UK’s first dedicated space for disabled entrepreneurs to open at Queen Elizabeth Olympic Park, 20 September 2019, <https://www.ucl.ac.uk/enterprise/news/2019/sep/uks-first-dedicated-space-disabled-entrepreneurs-open-queen-elizabeth-olympic-park>

<sup>14</sup> University College London and Barclays launch ‘venture builder’ for deep tech start-ups

27 February 2019, <https://home.barclays/news/press-releases/2019/02/university-college-london-and-barclays-launch-venture-builder-/>

<sup>15</sup> UCL among London universities supporting social venture startups, 17 October 2023,

<https://www.ucl.ac.uk/news/2023/oct/ucl-among-london-universities-supporting-social-venture-startups>

<sup>16</sup> UCL AI for People and Planet, <https://www.ucl.ac.uk/artificial-intelligence/our-partners>

<sup>17</sup> Ethical Investment Policy, UCL, <https://www.ucl.ac.uk/sustainable/about-us/ethical-investment>

<sup>18</sup> Academic Board 1 July 2024, University College London Paper on Investments June 2024, Appendix 5: Briefing Note on Barclays