

# Infrastructure & Transport

We remain committed to promoting sustainable practices in these sectors, while supporting economic growth and prosperity.

While the Group voluntarily adheres to these non-legally binding position statements, they reflect our aspiration to apply these principles consistently and to conduct our business with the highest standard of ethics and integrity. All staff are required to adhere to the position statements and endeavour to achieve these goals in line with our [Group Code of Conduct](#) and to live up to [our brand promise of Here for good](#).

## Applicable to

This Position Statement reflects the sector-specific criteria we assess our clients against when considering providing financial services to Infrastructure & Transport industries. For the purpose of this Position Statement:

**Infrastructure** refers to the construction, operation and decommissioning of transportation facilities (including ports, harbours, terminals, airports, railways and toll roads), water and waste management facilities, energy and telecommunications infrastructure (including pipelines, fibre optic, electrical cables, power transmission and distribution), health care facilities and mixed-use developments.

**Transport** includes road, airlines, shipping, railways (including hyperloop technology), and the transportation of hazardous materials. Shipping specifically refers to the operation and maintenance of ships used for the transport of general goods and bulk cargo (including hazardous substances not covered by other Position Statements), buyers of scrap vessels and ship recycling (the process of dismantling a vessel's structure for scrapping).

## Our commitment

As a key part of our mission to be Here for good, we only provide financial services to clients who manage their environmental and social impacts responsibly. The sector-specific criteria in this position statement, along with those in the [cross-sector requirements](#) set out the standards we assess our clients against.

We regularly engage with our clients to confirm that they're aligned with our environmental and social requirements, and consult with industry experts to ensure these stay relevant and effective.

### Infrastructure

Where infrastructure operations have potential adverse environmental and social impacts and are located in countries which are not High Income OECD members, we use the following standards to assess the capability of our Corporate and Institutional Clients to manage these impacts:

- The most recent IFC Performance Standards<sup>1</sup>
- The IFC General Environmental, Health and Safety Guidelines<sup>2</sup>
- The IFC Industry Sector Guidelines as applicable

- The IFC and EBRD guidance note on Workers' Accommodation: Processes and Standards

Where applicable, we will also look to the following industry best practices, guidelines and bodies to determine effective responses to risks faced by Corporate and Institutional Clients:

- Building Research Establishment Environmental Assessment Method (BREEAM)<sup>3</sup>
- Leadership in Energy and Environmental Design (LEED)<sup>4</sup>

Standard Chartered is aware that in some circumstances environmental and or social risks and impacts cannot be successfully mitigated. In the infrastructure sector we will therefore restrict the provision of financial services to Corporate and Institutional Banking, Commercial Banking, and Business Banking clients who:

- Do not significantly impact upon, or have operations located within:
  - UNESCO<sup>5</sup> World Heritage Sites
  - RAMSAR<sup>6</sup> Wetlands, unless operations would result in 'no net loss' of biodiversity
- Follow IFC Performance Standard 5 where their operations will result in physical or economic Displacement
- Follow IFC Performance Standard 6 where operations impact upon Protected Areas or Critical Habitats
- Follow IFC Performance Standard 7 where their operations impact on indigenous peoples, including customary rights

And to Corporate and Institutional Banking clients who:

- Have implemented, or are in the process of implementing, an environmental and social management system which controls their specific risk exposure
- Support the application of the Equator Principles<sup>7</sup>

## Transport

Where transport operations have potential adverse environmental and social impacts and are located in countries which are not High Income OECD members, we use the following standards to assess the capability of our clients to manage these impacts:

- The most recent IFC Performance Standards<sup>1</sup>
- The IFC General Environmental, Health and Safety Guidelines<sup>2</sup>
- The IFC Industry Sector Guidelines on Ports, Harbours and Terminals, Airports, Railways, Toll Roads, Water and Sanitation, Waste Management Facilities, Electric Power Transmission and Distribution, Airlines, Railways, and Shipping

Where applicable, we will also look to the following industry best practices, guidelines and bodies to determine effective responses to risks faced by clients:

- The United Nations Model Recommendations on the Transport of Dangerous Goods

Standard Chartered is aware that in some circumstances environmental and or social risks and impacts cannot be successfully mitigated. In the transport sector we will therefore restrict the provision of financial services to Corporate and Institutional Banking, Commercial Banking, and Business Banking clients who:

- Only transport heavy grades of oil in double-hulled vessels
- Do not significantly impact upon, or have operations located within:
  - UNESCO<sup>5</sup> World Heritage Sites
  - RAMSAR<sup>6</sup> Wetlands, unless operations would result in 'no net loss' of biodiversity
- Follow IFC Performance Standard 5 where their operations will result in physical or economic displacement
- Follow IFC Performance Standard 6 where operations impact upon Protected Areas or Critical Habitats
- Follow IFC Performance Standard 7 where their operations impact on indigenous peoples, including customary rights
- If transporting hazardous materials, comply with relevant international requirements as issued by bodies including the IMO, IATA, ICAO and OTIF
- If they are involved in the export of hazardous waste, have the necessary permissions under applicable international conventions<sup>8</sup>

And to Corporate and Institutional Banking clients who:

- Have, or are in the process of implementing, an environmental and social management system which controls their specific risk exposure
- Support the application of the Equator Principles<sup>7</sup>

### Ship Breaking

Where ship breaking operations have potential adverse environmental and social impacts and are located in countries which are not High Income OECD members, we use the following standards to assess the capability of our clients to manage these impacts:

- The most recent IFC Performance Standards<sup>1</sup>
- The IFC General Environmental, Health and Safety Guidelines<sup>2</sup>
- The IFC Industry Sector Guidelines for Shipping and Ports, Harbours and Terminals

Where applicable, we will also look to the following industry best practices, guidelines and bodies to determine effective responses to risks faced by clients:

- The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships<sup>9</sup>
- The ILO Guidelines on safety and health in ship breaking<sup>10</sup>
- The UNEP and Secretariat of the Basel Convention, Technical Guidelines for the Environmentally Sound Management of the Full and Partial Dismantling of Ships<sup>11</sup>

Standard Chartered is aware that in some circumstances environmental and or social risks and impacts cannot be successfully mitigated. In the ship breaking sector we will therefore restrict the provision of financial services to Corporate and Institutional Banking, Commercial Banking, and Business Banking clients who:

- Do not significantly impact upon, or have operations located within:
  - UNESCO<sup>5</sup> World Heritage Sites
  - RAMSAR<sup>6</sup> Wetlands, unless operations would result in 'no net loss' of biodiversity
- Follow IFC Performance Standard 6 where operations impact upon Protected Areas or Critical Habitats

And to Corporate and Institutional Banking clients who:

- Have, or are in the process of implementing, an environmental and social management system which controls their specific risk exposure
- Support the application of the Equator Principles<sup>7</sup>

## Feedback

Your views are important to us. If you'd like to give your feedback on any of our Position Statements, please get in touch via email at [sustainability.feedback@sc.com](mailto:sustainability.feedback@sc.com)

## References

1. <http://www.ifc.org/performancestandards>
2. <http://www.ifc.org/ehsguidelines>
3. <http://www.breeam.org/>
4. <http://www.usgbc.org/leed>
5. <http://whc.unesco.org/en/list>
6. <https://www.ramsar.org/sites/default/files/documents/library/sitelist.pdf>
7. <http://www.equator-principles.com/>
8. The Basel Convention on the Control of Transboundary Movements of Hazardous Waste (which applies globally except for the US), and where appropriate the Bamako Convention (for African countries that are party to it) and the Waigani Convention (for South Pacific countries that are party to it)
9. <http://www.imo.org/en/About/conventions/listofconventions/pages/the-hong-kong-international-convention-for-the-safe-and-environmentally-sound-recycling-of-ships.aspx>
10. <http://www.ilo.org/public/english/standards/relm/gb/docs/gb289/pdf/meshs-1.pdf>
11. <http://www.basel.int/Portals/4/Basel%20Convention/docs/meetings/sbc/workdoc/techships-e.pdf>