

Power Generation

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

For more detail on our approach to climate risk and impact, please refer to our climate change position statement.

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 Power Generation industries. For the purpose of this Position Statement:

Fossil fuel power refers to the construction, operation and decommissioning of power plants and related infrastructure, that utilise coal, oil or natural gas as fuel. For activities involving the extraction, processing and transportation of coal, oil or natural gas, please refer to our [extractive industries position statement](#).

Nuclear power refers to the construction, operation and decommissioning of nuclear power plants and related infrastructure, including the generation of power using nuclear energy, the provision of equipment, materials, and related technology to the activities listed above, and the management of radioactive waste. For activities involving the extraction, processing and transportation of uranium, please refer to our [extractive industries position statement](#).

Renewable energy refers to power stations and related infrastructure using solar, wind, hydro, geothermal, and wave energy to generate power – including energy storage infrastructure.

For all power generation industries, criteria relating to power transmission and distribution are captured by our [infrastructure and transport position statement](#)

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.

Fossil Fuel Power

- We will **not** directly finance any new coal-fired power plant projects, including expansions, in any location.
- We expect all clients in the sector to monitor and publicly report greenhouse gas emissions annually in accordance with internationally-recognised methodologies such as the *GHG Protocol*¹, and where appropriate set clear targets for reducing greenhouse gas emissions.

Nuclear Power

Where nuclear power 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 International Atomic Energy Agency (IAEA) Safety Standards
- The IAEA Security Series
- The most recent IFC Performance Standards²
- The IFC General Environmental, Health and Safety Guidelines³
- The IFC Industry Sector Guidelines for Thermal Power Plants (as relevant for nuclear power plants)

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 World Association of Nuclear Operators (WANO)⁴
- The World Institute for Nuclear Safety (WINS)⁵
- The Nuclear Power Plant Exporters' Principles of Conduct⁶
- The World Nuclear Transport Institute (WNTI)⁷
- The Treaty for Non Proliferation of Nuclear Weapons⁸
- The IAEA Safeguard Agreements⁹
- The Nuclear Supplier Group Guidelines¹⁰
- The IAEA Guide 'Milestones in the Development of a National Infrastructure for Nuclear Power'¹¹

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

- Demonstrate that their operations do not contribute to the manufacture or distribution of nuclear weapons, and that they have a long term commitment to the use of nuclear technology and equipment for a peaceful purpose
- Have nuclear operations only in locations where the host country is a signatory to the Treaty for Non Proliferation of Nuclear Weapons, or has in place appropriate IAEA Safeguard Agreements and where the country of origin of the materials, equipment and technology is a member of the Nuclear Supplier Group Guidelines
- Demonstrate compliance with applicable IAEA Safety Standards and Nuclear Safety Series
- Use the IAEA Site and External Events Design (SEED) review service for siting
- Do not significantly impact upon, or have operations located within:
 - UNESCO¹² World Heritage Sites

- RAMSAR¹³ 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 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 Principles¹⁴

Renewable Energy

Where dams and hydropower 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 Standards²
- The IFC General Environmental, Health and Safety Guidelines³
- The IFC Industry Sector Guidelines on Wind Energy, Geothermal Power Generation and Electric Power Transmission and Distribution

Standard Chartered is aware that in some circumstances environmental and or social risks and impacts cannot be successfully mitigated. In the renewable energy 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:
 - UNESCO¹² World Heritage Sites
 - RAMSAR¹³ 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 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 Principles¹⁴

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

References

1. <http://www.ghgprotocol.org/>
2. <http://www.ifc.org/performancestandards>
3. <http://www.ifc.org/ehsguidelines>
4. <http://www.wano.info/>
5. https://www.wins.org/index.php?article_id=61
6. <http://nuclearprinciples.org/the-principles/>
7. <http://www.wnti.co.uk/>
8. <http://www.un.org/disarmament/WMD/Nuclear/NPT.shtml>
9. <https://www.iaea.org/topics/safeguards-agreements>
10. Guidelines for Nuclear Transfers:
<https://www.iaea.org/sites/default/files/publications/documents/infcirc/1978/infcirc254r13p1.pdf> Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Materials, Software and Related Technology:
<https://www.iaea.org/sites/default/files/publications/documents/infcirc/1978/infcirc254r10p2c.pdf>
11. <http://www-pub.iaea.org/books/iaeabooks/8492/Milestones-in-the-Development-of-a-National-Infrastructure-for-Nuclear-Power>
12. <http://whc.unesco.org/en/list>
13. <https://www.ramsar.org/sites/default/files/documents/library/sitelist.pdf>
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