

Chemicals and manufacturing

Position statement

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 extractive industries.

Chemicals refers to the production and disposal of chemicals (including the synthesis, processing, refining, blending, formulation and packaging) for petrochemicals, agrochemicals, pharmaceuticals and biotechnology research and production.

Manufacturing refers to clients that manufacture goods. This includes the processing and/or packaging of raw materials that may be derived from other industries, including electrical and electronic equipment, Automobile, Aviation, ready-made garments, textiles, leather goods, metal products, glass, cement and other mineral products, rubber, plastic and derived products and fast-moving consumer goods (FMCG) or consumer packaged goods (CPG) that often have a short shelf life and rapid consumption.

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.

Chemicals

We will **not** provide financial services to clients who:

- Manufacture or produce goods containing ozone depleting substances, persistent organic pollutants (POPs), pesticides, and industrial chemicals and compounds such as mercury, which are subject to international restrictions, phase-outs or prohibitions.
- Conduct testing on animals for cosmetic or personal care products.

We will **only** provide financial services to clients who:

- Have an adequate policy in place to ensure environmentally and socially responsible disposal / transport of Hazardous Waste¹;
- Ensure that any hazardous chemicals & pesticides are accompanied with material safety data sheets (MSDS), product labelling and consignment notes that clearly demonstrate the physical, health and environmental hazards;

- Have processes and procedures for the cultivation and control of genetically modified organisms resulting from modern biotechnology, that may have adverse effects on biological diversity, taking also into account risks to human health.

We **encourage** clients to:

- Be active members of their respective national chemical industry organizations' 'Responsible Care program', and where there is no national representation, operate in accordance with the principles of 'Responsible Care'.

Manufacturing

We will **not** provide financial services to clients who:

- Produce or sell unbonded asbestos fibres, and do not follow the ILO Code of Practice on Safety in the use of bonded asbestos.
- Produce products or (wholesale) trade in asbestos-containing products such as asbestos-cement, sheets and pipes;
- Produce products that contain plastic microbeads in relation to personal care products such as cosmetics and cleaning agents

We will **only** provide financial services to clients who:

- Demonstrate alignment with the Montreal Protocol, including measures to reduce the consumption of Chlorofluorocarbons, Hydrochlorofluorocarbons and Hydrofluorocarbons.
- Trade or process Genetically Modified Organisms (GMOs) under appropriate permits as required by the Cartagena Protocol on Biosafety.
- Have an adequate policy in place to ensure environmentally and socially responsible disposal / transport of Hazardous Waste¹.

We **encourage** clients to:

- Commit to establishing plastic packaging reduction targets, where they handle more than 50 tonnes of plastic packaging each year with an aim to:
- Reduce the amount of plastic packaging they produce in the first place;
- Increase the amount of plastic packaging waste that's recycled and recovered;
- Reduce the volume of plastic packaging waste that goes to landfill.

¹Aligned to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.