Infrastructure and transport

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.

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 refers to 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).

Ship Recycling\(^1\) refers only to buyers of scrap vessels and those involved in the process of dismantling a vessel’s structure for scrapping.

\(^1\)Our Ship Recycling business is concentrated amongst a very limited number of clients in one country. We recognise that Ship Recycling can have substantial environmental and social risks and therefore strictly limit financial services to these clients.

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

We expect clients to:

- Follow the applicable IFC EHS Industry Sector Guidelines – specifically all guidelines applicable to Infrastructure developments and operations.
- Follow internationally recognised guidelines for the design and construction of hospitals and healthcare facilities, such as the Facility Guidelines Institute (FGI) Guidelines for Design and Construction; the Green Guide for Health Care; or the UK Department of Health, Health Building Note 00-01.
- Follow a recognised certification scheme such as the Joint Commission International (JCI), or other accreditations schemes certified by the International Society for Quality in Health Care (ISQ) or the United Kingdom Accreditation...
Forum (as applicable to clients operating hospitals and health care facilities).

We encourage clients to:

- Align with industry best practices such as the Building Research Establishment Environmental Assessment Method (BREEAM) and Leadership in Energy and Environmental Design (LEED).

Transport: Aviation and Rail

We expect clients to:

- Adhere to the IFC Industry Sector Guidelines on Railways and Airlines.

We encourage clients to:

- Use ICAO and IATA programs and support mechanisms which have been developed to address the environmental impacts of aviation, improve the environmental performance of airlines, and promote the adoption of industry best practices.

Transport: Shipping

We will only provide financial services to clients who:

- Require vessels to be classed by a member of the International Association of Classification Societies (IACS) which conducts periodic technical surveys to verify compliance with its criteria and all applicable international conventions.
- Have full protection and indemnity insurance in accordance with the standard rules of the International Group of P&I Clubs. We also expect the insurer to be a known and reputable company.
- Comply with IMO requirements for shipment of oil or other hazardous substances in tankers;
- Have a policy to ensure that any ship it controls that’s intended to be scrapped will be recycled at a yard that conducts its recycling business in a socially and environmentally responsible manner;
- Require all new vessels (ordered post 31 March 2019) to have an Inventory of Hazardous Materials (IHM)\(^1\). For EU clients or clients planning to visit EU ports, we require them to have a plan to document one at the next drydocking for the relevant vessel, but in any event no later than 2020.

We encourage clients to:

- Aim for environmental class notations which the IACS provides to its members for improved environmental performance - for all new build vessels;
- Track and improve their environmental performance, and where possible disclose performance data through a recognised industry initiative.

\(^1\)Modelled on the requirements of the EU Ship Recycling Regulation.

Ship Recycling

We will only provide financial services to clients who:

- Have an environmental and social management system (ESMS) certified to the International Organisation for Standardisation standard ISO14001, the occupational health and safety standard ISO45001, or ISO3000 for Ship Recycling Management Systems.
- Have a time bound plan to comply with the requirements of The International Convention for the Safe and Environmentally Sound Recycling of Ships (the ‘Hong Kong Convention’) of the International Maritime Organization of the United Nations (2009) – applicable to ship recycling clients.