

Proliferation financing & defence goods Position Statement

(Effective October 2024)



standard
chartered

Our commitment

Standard Chartered is committed to promoting economic and social development in the markets we serve. We seek to drive positive impact whilst at the same time reducing potential negative impacts to people and planet through managing environmental and social (E&S) risks.

There are a minimum set of standards that we apply to our clients regardless of the sector in which they operate and these are set out in our cross sector Position Statements on [Human Rights](#), [Climate Change](#) and [Nature](#). Our approach is informed by international standards including the IFC Performance Standards, the Equator Principles, OECD Guidelines for Multinational Enterprises, OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights.

Furthermore, clients must comply with all applicable laws and regulations, and we expect that their approach be guided by international conventions, international standards and best practice.

We have established sector specific criteria to manage the heightened risks associated with clients in the defence sector. We apply more stringent client selection criteria to prospective clients whose revenues are 20 per cent or more dependent on activities in the defence sector.

Sector scope

Activities within the scope of this Position Statement include those related to the manufacturing, purchasing, selling, or otherwise using of defence equipment or other similar types of goods or technologies.

For the purposes of this Position Statement

Prohibited Goods include defence equipment or other similar types of goods or technologies that are:

- (i) Banned by relevant international conventions (including, but not limited to, nuclear, chemical or biological weapons, anti-personnel mines and cluster munitions); or
- (ii) Primarily designed to kill, maim or torture human beings, including items used for internal repression, which are contrary to our internal policy.

Position statement

01

We will **not** knowingly provide financial services to clients in support of their manufacturing, purchasing, selling of, or otherwise using Prohibited Goods.

02

We **acknowledge** and are committed to protecting against the proliferation financing risks highlighted in the UK National Assessment of Proliferation Financing in accordance with the UK Money Laundering Regulations.

03

We **expect** our clients to comply with obligations regarding export controls and all relevant laws and regulations applicable to dual-use and strategically controlled goods.

Important notice:

Please refer to the Important Notice included in our [Environmental and Social Risk Management Framework](#), which also applies to this Position Statement.

