

# Human Rights Position Statement

(Effective December 2024)



standard  
chartered

# Human Rights Position Statement

We are committed to respecting human rights across our business as defined in the [International Bill of Human Rights](#)<sup>1</sup>, and the [International Labour Organisation Declaration on Fundamental Principles and Rights at Work](#). Our commitment is guided by the [UN Guiding Principles on Business and Human Rights](#) (“UN Guiding Principles”), the [United Nations Global Compact](#), the [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) (“OECD Guidelines”) and the [International Finance Corporation \(“IFC”\) Performance Standards on Environmental and Social Sustainability](#) (“IFC Performance Standards”) and related Guidelines.

We recognise our responsibility, as a business, to respect human rights. This is embedded in our [Code of Conduct and Ethics](#) and our valued behaviours, which provide the guiding principles for how we work together and the way we do business.

As a bank operating in over 50 markets, our expansive presence offers us unique opportunities to serve businesses that are the engines of global growth and support people to meet their ambitions. We comply with applicable laws, and in the event of a conflict between such legal requirements and internationally recognised human rights, we seek ways to honour the relevant human rights principles including through the application of our due diligence processes.

<sup>1</sup>Comprising the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights.



## How we work

We have an established framework of policies and processes to support us in embedding our human rights commitments within our own operations, our supply chain and our client relationships. We take a risk-based approach to due diligence that focuses on identifying salient risks and potential impacts on people, the environment and communities arising from the operation of our own business and the activities of our clients.

We allocate roles and responsibilities for human rights risks in a manner consistent with the “Three Lines of Defence Model” with oversight and governance at executive and management levels. Responsibility for setting the overall risk management approach for reputational and sustainability risk, including human rights risk resides with our Environmental, Social, Governance and Reputational Risk (“ESGR”) team. Our ESGR team are supported in establishing and implementing our approach to managing human rights risks by teams in environmental and social risk management, human resources, legal, conduct and financial crime compliance, data ethics, responsible artificial intelligence (“AI”) and privacy. Actual or potential human rights impacts identified in our own operations, supply chain, or in association with a client’s business are reviewed and evaluated in accordance with our policies and processes and may be referred to our executive and/or management level committees for further consideration.



## Financial crime and anti-money laundering

Financial systems can transform lives for good, but they may also facilitate harmful activities like money laundering, terrorist financing and corruption. We have anti-money laundering and anti-bribery and corruption policies in place to help tackle these issues including to address the risk of human trafficking, a serious predicate offence to money laundering.

## Responsible AI, data ethics and privacy

Our standards on data usage aim to minimise harm and support positive outcomes for our people, clients and communities that we serve. Our internal Group Responsible AI Standard requires AI to be deployed in our business activities in a way which is fair, ethical and transparent. We work with industry bodies, regulators and government agencies to share best practice in the responsible use of AI.

Our internal Group Privacy Standard reflects the principles of the UK General Data Protection Regulation and aims to set a baseline for managing privacy related risks resulting from processing personal data. More information on how we gather and process personal data can be found in our [Privacy Notice](#).

## Our own operations

We seek to uphold our commitment to human rights within our own operations, acknowledging the diverse economic, cultural, and political perspectives across our footprint markets.

We are committed to maintaining a safe, supportive, diverse and inclusive workplace which is free from harassment, bullying, discrimination and retaliation, which promotes positive wellbeing and a healthy lifestyle, where everyone is entitled to be treated fairly and where different opinions, cultures and beliefs are valued. This includes the promotion of flexible working across our markets, support for formal employee networks, opportunities for continuous learning and growth, and compensation in line with our [Fair Pay Charter](#), which includes minimum standards such as a commitment to pay our employees a living wage in all our markets. We embed these commitments through our Code of Conduct and Ethics, [Health, Safety and Security Policy](#) and our internal Group Diversity and Inclusion Standard.

Beyond our commitment to our employees, we support social and economic development in the communities in which we operate. Through the [Standard Chartered Foundation](#) and our [Futuremakers](#) programme, we have established a global economic empowerment initiative to tackle inequality by promoting greater economic inclusion. We strive to expand the reach and scale of accessible banking and to connect clients and our wider communities to the skills and educational opportunities that promote and sustain access to finance and economic opportunity.

## Our suppliers

Our commitment to sustainable supply chains is captured in our [Supplier Charter](#) which sets out our expectations of suppliers. We expect suppliers to support and respect internationally recognised human rights; protect the health, safety and security of their workers; prohibit the use of all forms of modern slavery and child labour; respect employee rights concerning freedom of association and collective bargaining; promote diversity and inclusion and fair pay practices; and protect the environment. We share the Supplier Charter and guidance on [Supplier Diversity and Inclusion](#) during supplier onboarding, and remind suppliers of these expectations on an annual basis.

We seek to make sourcing decisions that promote sustainability and respect human rights. To support this, we screen our suppliers at onboarding and on a periodic basis for adverse media, including concerning human rights issues. In addition, we have worked with external and internal subject matter experts to develop a process for identifying suppliers which present a higher modern slavery risk, where such suppliers are then subject to further due diligence. Further detail can be found in our [Modern Slavery Statement](#).

If we identify that a supplier has not met our expectations, in the first instance we aim to work with the supplier to remediate the issue, but where this proves not to be possible or ineffective, the supplier in question may face termination and/or exclusion from further engagement opportunities.



## Our clients

We are committed to identifying and assessing human rights related risks and impacts associated with our client relationships. We also recognise the important role sustainable finance can play in helping to address social issues such as access to affordable and responsible financial products and access to essential services, including health and education services.

As set out in our [Environmental and Social Risk Management \(“ESRM”\) Framework](#), we have embedded various controls to identify, assess and, as appropriate, respond to actual or potential adverse human rights impacts of our clients and, where relevant, project and asset finance transactions.

Our client due diligence procedures require us to understand the nature of a client’s business activities and source of funds/wealth. Our due diligence includes adverse media screening of our clients to identify potential infringements of human rights such as connections to criminality including human trafficking, as well as screening for environmental and social risks against our cross sector and sector specific [Position Statements](#).

We will not provide financial services to clients whom we find are involved in child labour or forced labour. We expect clients to maintain policies and processes to manage human rights risks in their operations and supply chain, in accordance with the standards referred to in this Position Statement. This includes considering the need for operational-level grievance mechanisms. Where a client operates in a geography or sector which presents a heightened risk of human rights impacts, we ascertain the nature of such risks and assess whether these are being managed appropriately by the client.

Our Corporate and Investment Banking clients, and our Small and Medium Enterprise clients within our Wealth and Retail Banking client segment, undergo client environmental and social risk assessments when applying for credit facilities. These assessments comprise a review of the client’s commitments, operations and track record in managing environmental and social risks. These assessments are periodically refreshed.

For particular project or asset specific transactions, we undertake transaction level environmental and social risk assessments which include assessing as part of the transaction approval process whether the client maintains appropriate systems to manage and mitigate environmental and social impacts, and conducts ongoing risk-based monitoring following financial close.

Our transaction level assessments include the following:

- 1 Where we identify heightened risks of potential human rights impacts, we may require clients to engage independent specialists with human rights expertise to assess those risks.
- 2 In connection with financial services for the development of a project or asset, the need for a Human Rights Impact Assessment is evaluated on a case-by-case basis and guided by the nature of the risks inherent in the project context, design and sector.
- 3 For transactions that trigger application of the Equator Principles, we will require an Environmental and Social Impact Assessment (“ESIA”) addressing human rights risks as determined by the project review and categorisation, including impact of the project on Indigenous Peoples and other vulnerable groups, and consequent risk mitigation steps as prescribed by the Equator Principles.
- 4 For asset or project related transactions that fall outside the scope of the Equator Principles, we expect our clients to comply with applicable laws and align their practices with the IFC Performance Standards, including consideration of the rights of Indigenous Peoples as well as the IFC Environmental, Health & Safety Guidelines, including by conducting ESIs proportionate to the risks.

Wherever an environmental and social risk assessment identifies non-compliance with our environmental or social criteria, our ESRM team is responsible for conducting further due diligence. If we identify that a client is not compliant with our environmental and social criteria, we will engage with that client as appropriate to address the relevant issue. If such engagement is not possible or proves ineffective, then depending on the relevant circumstances we will seek to exit the relationship subject to existing contractual obligations.

Our cross sector and sector specific Position Statements set out further expectations of our clients concerning the management of human rights risks in relation to specific contexts and issues. These supplement this Position Statement and our overarching ESRM Framework.



## Transparency, communication and engagement

We continue to evolve how we monitor, assess and disclose human rights risks. We monitor the evolution and development of human rights related laws, regulations, standards and best practices, and we regularly engage with governments, regulators, clients, investors, civil society and other external stakeholders. As part of this, we collaborate through platforms such as the Thun Group, Wolfsberg Group and Joint Money Laundering Intelligence Taskforce. We disclose a list of our memberships on our [stakeholders and sustainability](#) webpage.

We report annually on our approaches to tackling modern slavery through our Modern Slavery Statements (prepared in accordance with UK and (where relevant) other jurisdiction's legislative requirements) which supplement this Position Statement.

## Raising concerns, and access to remedy

We encourage our stakeholders to raise concerns including about actual or potential human rights related impacts by writing to our dedicated sustainability email address: [sustainability.feedback@sc.com](mailto:sustainability.feedback@sc.com).

In addition, we offer secure and confidential [Speaking Up](#) channels to raise concerns that could relate to a number of issues, including breaches of our Code of Conduct and Ethics.

We are a signatory of the Equator Principles, a framework for banks to identify, assess and manage environmental and social risks in connection with in-scope project-related financings. As part of this framework, a client undertaking a new project or expansion of an existing operation will need to conduct inclusive stakeholder engagement (Principle 5) and establish effective operational grievance mechanisms (Principle 6) for potentially impacted stakeholders. These grievance mechanisms are intended to give workers and affected communities an avenue to speak directly with the project company about any negative impacts they are experiencing and access remediation as relevant.

We are a signatory of the Equator Principles, a framework for banks to identify, assess and manage

environmental and social risks in connection with in-scope project-related financings. As part of this framework, a client undertaking a new project or expansion of an existing operation will need to conduct inclusive stakeholder engagement (Principle 5) and establish effective operational grievance mechanisms (Principle 6) for potentially impacted stakeholders. These grievance mechanisms are intended to give workers and affected communities an avenue to speak directly with the project company about any negative impacts they are experiencing and access remediation as relevant.

We recognise the important role played by stakeholders, including human rights defenders, who raise human rights related concerns and we support their protection from retaliation or intimidation.

When assessing complaints, we apply the UN Guiding Principles and OECD Guidelines to determine what our role in any relevant human rights impact may be and whether we may have caused, contributed or are directly linked to the alleged impacts. This assessment of our relationship to a human rights impact will determine our response, taking into account the nature of the impact, the involvement of other relevant parties and the degree of our leverage as applicable.

## Important Notice

How we apply our cross sector and sector specific Position Statements is explained in our [ESRM Framework](#), referenced above. This Position Statement should be read in conjunction with our ESRM Framework, which explains in greater detail how our Position Statements are applied in practice. Please refer to the Important Notice included in our ESRM Framework, which also applies to this Position Statement.

### Feedback:

For more information on our approach to sustainability, please see our Sustainability Library. Your comments are important to us and we welcome your feedback on this Position Statement. Please contact us at [sustainability.feedback@sc.com](mailto:sustainability.feedback@sc.com).





standard  
chartered