

StanChart boosts clean energy target and nudges clients on coal

Standard
Chartered



Standard Chartered Plc plans to facilitate \$35bn of funding for clean technology by 2025, joining rival banks including Goldman Sachs Group Inc that are stepping up their climate-change promises. The London-based bank also vowed to only support those clients who are moving to generate less than 10% of their earnings from thermal coal by 2030, according to a statement on Tuesday. The new target extends the previous 2016 goal that foresaw \$4bn of green funding by 2020. "There has not been sufficient investment into this sector across emerging Asia, Africa and the Middle East," the bank said. Chief executive officer Bill Winters said Standard Chartered is the first bank active in emerging markets to "confirm that we will be out of thermal coal by 2030." Emerging markets are the focus of Standard Chartered's business, and generally rely more heavily on coal to generate electricity than developed countries do. The bank also said it will withdraw from three coal-fired power projects that it agreed to finance before revising its policies last year. On Monday, Goldman Sachs announced a revision to its own policies, pledging to avoid directly financing new thermal coal mines and upstream Arctic oil exploration. Standard

Chartered also released a report detailing its progress aligning its lending portfolio with the goals of the Paris Agreement, which aims to limit global warming to significantly below 2 degrees. Standard Chartered's plan to withdraw support from clients that aren't transitioning away from coal will be implemented in phases, starting in January 2021. In 2018, the bank said it would prohibit direct financing for new coal-fired power plants.