

United Kingdom

26 Financial Institutions
made an estimated USD\$ 33,928 million
available to nuclear weapon producing companies since January 2014.

Introduction

This document contains country specific information from the 2018 Don't Bank on the Bomb update.

Hall of Fame and Runners-up include financial institutions with headquarters in the country that have published policies banning or limiting investment in nuclear weapons producers.

Hall of Shame are the financial institutions that have significant financing relationships with one or more of the nuclear weapons producers identified in the report.

Nuclear weapon producers this document includes a brief summary of the nuclear weapons related work of each of the identified producers. For more detail go to the www.DontBankOnTheBomb.com website.

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Hall of Fame

The Co-operative Bank

The Co-operative Bank is a British bank offering a range of banking products from current accounts, mortgages and loans to credit cards and saving products.¹ The Co-operative Bank's focus is UK retail and small and medium-sized business customers.² As of 30 June 2017, the bank held £25 billion (€27 billion) in total assets.³

In 2014, The Co-operative Bank re-launched its ethical policy after consultations with its customers. The policy excluding nuclear weapons producers remained the same. The *Ethical Policy* states: "We will not finance [...] the manufacture or transfer of indiscriminate weapons."⁴ Indiscriminate weapons include cluster munitions, anti-personnel landmines, depleted uranium munitions, incendiary munitions, chemical and biological weapons.⁵ It also includes "products or services classed as strategic to nuclear weapons." Companies found to be in conflict with the policy are excluded.⁶

The policy applies to all asset and liability classes relevant to The Co-operative Bank.⁷ The Co-operative Bank declines banking facilities and terminates loan contracts of customers violating its ethical policy.⁸ The Co-operative utilizes independent research by EIRIS to identify breaches to its policy, which is not publicly available.

Website:

<http://www.co-operativebank.co.uk/>

Twitter:

[@CoopBankUK](https://twitter.com/CoopBankUK)

Facebook:

<https://www.facebook.com/thecooperativebank>

¹ The Co-operative Bank, "About Us", website *The Co-operative Bank* (http://www.co-operativebank.co.uk/aboutus?int_cmp=topnav_whoare_aboutus), viewed 23 January 2018.

² The Co-operative Bank, "Purpose", website *The Co-operative Bank*, (<http://www.co-operativebank.co.uk/aboutus/ourbusiness/purpose>), viewed 23 January 2018.

³ The Co-operative Bank, "The Co-operative Bank plc Interim Financial Report 2017", page 11, available online at: <http://www.co-operativebank.co.uk/assets/pdf/bank/investorrelations/2017-Interim-Financial-Report.pdf>, viewed 23 January 2018.

⁴ The Co-operative Bank, "Ethical Policy", website *The Co-operative Bank* (<https://www.co-operativebank.co.uk/assets/html/bank/ebooks/ethical-policy/index.html>), viewed 23 January 2018.

⁵ The Co-operative Bank, written response to PAX, dated 1 December 2017.

⁶ The Co-operative Bank, written response to PAX, dated 1 December 2017.

⁷ The Co-operative Bank, written response to PAX, dated 1 December 2017.

⁸ The Co-operative Bank, written response to PAX, dated 1 December 2017.

Runners-Up

Financial Institution	Excludes all producers	Excludes all activities	Applies policy to all financial products	No investments found
Barclays				
Royal Bank of Scotland				
Standard Chartered		✓		

Barclays  (no stars)

Barclays PLC Group is a transatlantic consumer, corporate and investment bank. Since 2016, it operates through two divisions: Barclays UK and Barclays International.⁹ It operates in 40 countries. As of 30 June 2017, Barclays held £61,771 million (€ 67,255 million) in financial investments.¹⁰ Barclays' Statement on the Defence Sector prohibits transactions related to "trade in, or manufacture of nuclear weapons".¹¹ Barclays does not exclude companies as a whole for involvement with nuclear weapons but only specific projects or transactions on a case by case basis.¹²

Barclays' exclusion policy applies to its commercial banking and investment banking activities. Barclays Wealth and Investment Management holds shares on behalf of clients. The exclusion policy is not applied to these investments.¹³

Barclays does not make use of an exclusion list but uses third party intelligence to make decision on specific investments.¹⁴

Barclays was also found to have several investments in nuclear weapon producing companies identified by this report, more information can be found in the Hall of Shame.

We commend Barclays for adopting a public policy on nuclear weapons. We recommend Barclays apply its policy to the companies involved with the production of nuclear weapons, not only to certain transactions. Barclays should exclude investment in all types of nuclear weapons associated companies. In addition, Barclays should expand the scope of its policy to cover all offered financial products, including on behalf of third parties. We look forward to engaging with Barclays, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:

<http://www.home.barclays/>

Twitter:

@barclays

Facebook:

<https://www.facebook.com/BarclaysUK>

⁹ Barclays, "About us: Strategy", *website Barclays* (<https://www.home.barclays/about-barclays/strategy.html>), viewed 23 January 2018.

¹⁰ Barclays, "About us", *website Barclays* (<https://www.home.barclays/about-barclays/around-the-world.html>), viewed 23 January 2018; Barclays "Barclays PLC- Results Announcement", page 54, available at: https://www.home.barclays/content/dam/barclayspublic/docs/InvestorRelations/ResultAnnouncements/2017interimresults/20170728_H117_Barclays_PLC_Results_Announcement.pdf, viewed 23 January 2018.

¹¹ Barclays, "Barclays Statement on the Defence Sector", available at (<https://www.home.barclays/content/dam/barclayspublic/docs/Citizenship/Policy-Positions/barclays-statement-defence-sector.pdf>), viewed 23 January 2018; written response to PAX dated 1 June 2015.

¹² Barclays, written response to PAX dated 19 August 2015.

¹³ Barclays, written response to PAX dated 1 June 2015.

¹⁴ Barclays, written response to PAX dated 1 June 2015.



The Royal Bank of Scotland Group (RBS) is an UK-centred bank with its headquarters in Edinburgh, Scotland, it serves 19 million personal, business and institutional customers across the globe.¹⁵ At the end of 2016, RBS held GBP17 billion (€19 billion) in assets under management.¹⁶

RBS' 2014 Defence Sector Policy Summary states: "Financing of companies involved in the manufacture, sale, trade, broking, service or stockpiling of [...] nuclear weapons or the bespoke components of such weapons" and the "trade of weaponry (e.g. bombs, missiles, rockets, guns, ammunition) and equipment designed to enable the transport, deployment, execution or performance of a weapon (e.g. aircraft carriers, weapon platforms)" are restricted. This means that companies engaged in these activities are not necessarily excluded but "undergo enhanced due diligence including review by a reputational risk forum or approver and annual evaluation."¹⁷ In addition, RBS does not exclude entire companies but only restricts financing of certain activities related to nuclear weapons.¹⁸

The policy covers RBS' lending and investment banking operations. However, its asset management activities, including investments made on its own account, investments made on behalf of third parties, discretionary mandates, actively managed funds and passively managed funds are not covered by the policy.¹⁹

RBS screens its customers for compliance with the policy so it can terminate all services for which it has no binding contractual agreements. Where there are contractual agreements, it will honour the contract's provisions but will provide no additional services. RBS has identified clients who are in breach of their policy, but does not make this information publicly available.²⁰

RBS was also found to have several investments in nuclear weapon producing companies identified by this report, more information can be found in the Hall of Shame.

We commend RBS for adopting a public policy on nuclear weapons. We recommend RBS exclude all activities of nuclear weapons producing companies. Moreover, RBS should apply its exclusion policy to all financial products including assets managed and should terminate existing investments in nuclear weapons associated companies currently in its portfolio. We look forward to engaging with RBS, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:
www.rbs.com/

Twitter:
[@RBSGroup](https://twitter.com/RBSGroup)

Facebook:
<https://www.facebook.com/royalbankofscotland>



Standard Chartered is a British banking group offering a wide range of products and services for personal and business clients. Standard Chartered operates in 68 countries.²¹ At the end of 2017, Standard Chartered held USD54 billion (€ billion) in assets under management.²²

¹⁵ RBS, "About Us", website RBS (<http://www.rbs.com/about.html>), viewed 23 January 2018.

¹⁶ RBC, "Annual Report 2016", page 110, available at <https://www.rbs.com/content/dam/rbs.com/rbs/PDFs/annual-report-2016.pdf>, viewed 23 January 2018.

¹⁷ RBS, Environmental, Social and Ethical Risk Policy Summary Defence Sector", p.1-2, available at https://www.rbs.com/content/dam/rbs.com/rbs/PDFs/Sustainability/Downloads/Defence_policy_Dec_2016.pdf, viewed 23 January 2018.

¹⁸ RBS, written response to PAX dated 8 May 2015.

¹⁹ RBS, written response to PAX dated 8 May 2015.

²⁰ RBS, written response to FairFin dated 24 April 2012.

²¹ Standard Chartered, "Standard Chartered locations worldwide", website Standard Chartered (<https://www.sc.com/en/about-us/standard-chartered-worldwide/>), viewed 23 January 2018

²² Standard Chartered, "Annual Report 2016", page 42, available at <https://www.sc.com/en/resources/global-en/pdf/annual-reports/2016-annual-report.pdf>, viewed 23 January 2018.

Standard Chartered's Defence Goods Policy Summary states: "Standard Chartered will not under any circumstances support the manufacture or distribution of nuclear, biological or chemical weapons."²³ The policy covers "the provision of finance and/or other non-financing services relating to the manufacture, distribution, marketing, trade, maintenance and disposal of goods."²⁴ Correspondence with Standard Chartered indicates that the bank excludes entire companies, not only nuclear weapon related projects and transactions.²⁵

The exclusion policy only applies to Standard Chartered's commercial banking and investment banking activities. The policy is not applied to investments for Standard Chartered's own account or to investments on behalf of third parties. The policy does not always exclude companies if a joint venture of that company is involved in nuclear weapons production.²⁶

Standard Chartered does not make use of an exclusion list for its responsible investment screening.²⁷

Standard Chartered was also found to have several investments in nuclear weapon producing companies identified by this report, more information can be found in the Hall of Shame.

We commend Standard Chartered for adopting a public policy on nuclear weapons. We recommend Standard Chartered apply its policy to all of its financial products, including investments for its own account and investments on behalf of third parties. Standard Chartered should also apply the policy to all nuclear weapons producing companies, including those involved in joint ventures. We look forward to engaging with Standard Chartered, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:
<https://www.sc.com/>

Twitter:
@StanChart

Facebook:
<https://www.facebook.com/StandardChartered>

Policy research methodology

To identify financial institutions with a policy on nuclear weapons, we research a variety of sources: NGO reports, screening-agency information, financial institutions' reports and websites, information from campaigners and other public sources. For practical reasons, the scope of this report is limited to those financial institutions that have an investment policy or a summary of that policy in English. The list of institutions in the Hall of Fame is therefore not exhaustive. We welcome additions from those able to provide them.

The financial institutions for which a nuclear weapons policy was actually found, were grouped in two categories. Financial institutions with a clear and comprehensive nuclear weapons exclusion policy are included in the "Hall of Fame", while financial institutions whose nuclear weapons policy is less strict or clear are included in the "Runners-up" category. This is not a comprehensive list, and others may exist in the country. To be included in the Hall of Fame, the nuclear weapons policy of the financial institution must meet the following criteria:

- The financial institution has published its policy and/or a summary of it;
- The policy excludes investments in nuclear weapon companies (withdrawing past investments and avoiding future investments)
- The policy has an 'all-in' comprehensive scope:

²³ Standard Chartered, "Defence Goods – Policy Summary", available at https://www.sc.com/en/resources/global-en/pdf/sustainability/Group_defence-goods-policy-summary.pdf, viewed 23 January 2018.

²⁴ Standard Chartered, written response to PAX dated 11 June 2015.

²⁵ Standard Chartered, written response to Profundo dated 20 August 2014; Standard Chartered, written response to Profundo dated 6 August 2014; Standard Chartered, written response to PAX dated 11 June 2015.

²⁶ Standard Chartered, written response to PAX dated 11 June 2015.

²⁷ Standard Chartered, written response to PAX dated 11 June 2015.

- no exceptions for any types of nuclear weapon companies
- no exceptions for any types of activities by nuclear weapon companies
- no exceptions for any type of financing or investment by the financial institution

Financial institutions whose nuclear weapon policy does not meet all of the above criteria are included in the “Runners-up” category. [For more on the report methodology, see the website.](#)

The Don’t Bank on the Bomb project seeks to recognise all financial institutions with investment policies that explicitly mention nuclear weapons, even if some of these policies are not comprehensive. By naming investment in nuclear weapon producing companies as an issue of concern, even less effective policies recognise the stigma associated with these weapons of mass destruction, however, because of loopholes in some policies, some financial institutions may appear in both the Runners-up and Hall of Shame categories.

Hall of Shame

This section contains the results of our research into which financial institutions are financially involved with the nuclear weapon producing companies identified in the report. The financial institutions identified include banks, pension funds, insurance companies and asset managers. They have provided various types of financial services to nuclear weapon companies including loans, investment banking and asset management. For more detail on what types of financial services, please contact info@dontbankonthebomb.com.

All sources of financing provided since 1 January 2014 to the companies listed were analysed from annual reports, financial databases and other sources. The financial institutions which are most significantly involved²⁸ in the financing of one or more nuclear weapon companies are shown here.

Figures presented are rounded up/down to the nearest dollar at the filing date. Commas (,) indicate thousands separators while periods (.) used as decimal points. All figures are in US Dollar millions.

Investor	Nuclear weapon producing companies																Grand Total				
	AECOM	Aerojet Rocketdyne	Airbus Group	BAE Systems	Bechtel	Boeing	BWX Technologies	CH2M Hill	Fluor	General Dynamics	Honeywell International	Huntington Ingalls Industries	Jacobs Engineering	Larsen & Toubro	Lockheed Martin	Northrop Grumman		Orbital ATK	Safran	Serco	Thales
Ardevora Asset Management																			14		14
Aviva	44			148														60			252
Barclays	359		230	1,239	300	721		630		2,820		132	9	512				629	208	122	7,913
Children’s Investment Fund Management			1,469																		1,469
Fidelity International	24			129								122							112		387
HSBC	813		513					625		306	44	192	139					183	239	248	3,302
Intrinsic Value Investors																			21		21

²⁸ Don’t Bank on the Bomb defines significant involvement as providing loans, investment banking or holdings above a threshold of 0.5% of all outstanding shares or bonds.

Investor	Nuclear weapon producing companies																	Grand Total			
	AECOM	Aerofjet Rocketdyne	Airbus Group	BAE Systems	Bechtel	Boeing	BWX Technologies	CH2M Hill	Fluor	General Dynamics	Honeywell International	Huntington Ingalls Industries	Jacobs Engineering	Larsen & Toubro	Lockheed Martin	Northrop Grumman	Orbital ATK		Safran	Serco	Thales
Invesco	156		364	1,287			104		146	968			49			224	92			163	3,553
Janus Henderson Group						973	146			990	586	60				750					3,504
Jupiter Fund Management				160																	160
Legal & General				595					37				39			226			36		933
Lloyds Banking Group	25		66	131		430			211	350	133		62		1,090	90			98		2,685
Majedie Asset Management																			82		82
Marathon Asset Management				138															91		229
Marshall Wace						24							35								59
Odey Asset Management																			36		36
Old Mutual									841	594						211			40		1,686
Orbis Group																			79		79
Prudential (UK)	51	19		382		75						18			129						673
Royal Bank of Scotland			134	131	1,020	312	60			171	306	174	406	35	126	379		183	98	122	3,655
Schroders				334								61									395
Serco Group Employee Benefit Trust																			17		17
Silchester International Investors				743																	743
Standard Chartered	39		66			246			211		306			186				231			1,286
Standard Life Aberdeen				238									47						17		303
White Mountains Insurance			75	132		81									94	111					493

Nuclear weapon producing companies

This report identifies 20 companies operating in France, India, the Netherlands, the United Kingdom and the United States that are significantly involved in maintaining and modernising the nuclear arsenals of France, India, the United Kingdom and the United States. **This is not an exhaustive list.** These companies are providing necessary components and infrastructure to develop, test, maintain and modernise nuclear weapons. The contracts these companies have with nuclear armed countries are for materials and services to keep nuclear weapons in their arsenals. In other nuclear-armed countries –Russia, China, Pakistan and North Korea – the maintenance and modernization of nuclear forces is carried out primarily or exclusively by government agencies. References and additional information is on the website, www.dontbankonthebomb.com

Aecom (USA)

Aecom is part of the group of companies managing US nuclear weapons laboratories and testing facilities, including those responsible for design and fabrication of electronic, mechanical and structural systems for nuclear weapons. Without Aecom, modernisations plans for the US nuclear arsenal would come to a halt. Aecom and its partners have been cited for substandard performance in recent years, and the US government cut the fees in recent years, citing "significant or 'First Degree' performance failure".

Aerojet Rocketdyne (USA)

Aerojet Rocketdyne, formerly known as GenCorp is involved in the design, development and production of land- and sea-based nuclear ballistic missile systems for the United States. It is currently producing propulsion systems for the Minuteman III and Trident II (D5) nuclear missile systems.

Airbus (The Netherlands)

Airbus is a Dutch company that produces and maintains submarine-launched nuclear missiles for the French navy (the M51.2), it is also developing the next generation submarine launched missiles, the M51.3. Airbus is a key member of the joint venture MBDA-Systems, which has contracts to extend the life of French ASMPA missiles through 2035. MBDA also has contracts for the new French missiles, the ASN4G.

BAE Systems (United Kingdom)

BAE Systems is involved in the nuclear weapons programmes of France, the UK and the US. It produces key components for Trident II (D5) missiles for the US and UK nuclear arsenals. It also produces US Minuteman III Intercontinental Ballistic Missile (ICBM) systems. BAE Systems is also part of the MBDA joint venture and provides nuclear armed air-to-surface missiles for France.

Bechtel (USA)

Bechtel manages the Los Alamos and Lawrence Livermore national laboratories in the US, which play an important role in the research, design, development and production of nuclear weapons. The US National Nuclear Security Administration has been repeatedly criticized for renewing these contracts despite significant performance issues. Bechtel is also involved in the production and refurbishment of US nuclear weapons at the Y-12 National Security Complex in Tennessee and the life extension programme for the W76 warheads deployed on Trident II (D5) ballistic missiles at the Pantex Plant in Texas.

Boeing (USA)

Boeing is contracted to help keep the Minuteman III nuclear intercontinental ballistic missiles operational in the US nuclear arsenal until 2030. Boeing will also be producing the new Ground Based Strategic Deterrent system for the US, designed to replace the Minuteman III system. Boeing is also producing the guided tail kit for the new B61-12 US nuclear gravity bomb (the ones meant to be deployed to Europe). In addition, Boeing also has contracts for key components for US and UK Trident II (D5) nuclear weapons.

BWX Technologies (USA)

BWX Technologies ("BWXT") formerly known as Babcock & Wilcox Company operates several US nuclear weapons facilities through joint ventures. These facilities including the Lawrence Livermore National Laboratory, Los Alamos National Laboratory, and Nevada National Security Site (NNSS), previously known as the Nevada Test Site, each of which are engaged in aspects of nuclear warhead modernisation for the US arsenal and have also provided data to UK nuclear labs. Along with other partners, BWXT was cited for substandard performance in recent years, and

relevant US government agencies were criticized for renewing their contracts.

[CH2M Hill \(USA\)](#)

CH2M Hill is one of the joint venture partners operating the former nuclear weapons test site in the US (now called the Nevada National Security Site). The site continues to conduct nuclear weapons related experiments, sending data to both US and UK nuclear weapons laboratories. CH2M Hill was acquired by Jacobs Engineering in December 2017, information about CH2M Hill is included here for reference purposes.

[Fluor \(USA\)](#)

Fluor is the lead partner responsible for the management and operation of the US nuclear weapons facilities at Savannah River South Carolina. Fluor is responsible for managing the nuclear arsenal at the sites (Savannah River Site and Savannah River National Laboratory) among other tasks.

[General Dynamics \(USA\)](#)

General Dynamics holds numerous contracts related to the Trident II (D5) missile systems for the UK and US. It provides a range of engineering, development, and production activities to support to US and UK Trident II Strategic Weapons Systems. It is also involved in the guidance systems of the Trident II (D5) nuclear missiles of the US Navy.

[Honeywell International \(USA\)](#)

Honeywell International manages and operates the National Security Campus (formerly Kansas City Plant), which produces about 85% of the non-nuclear components for US nuclear weapons including electronic, mechanical and hardware components. Honeywell is also involved in managing other US nuclear weapon facilities including Savannah River, the National Nuclear Security Site (former test site), and the Sandia Lab. The work at Sandia includes the systems integration work connecting nuclear weapons to their delivery vehicles. Honeywell is also involved in producing key components for the Trident II (D5) nuclear missiles which comprise part of the UK and US arsenals.

[Huntington Ingalls Industries \(USA\)](#)

Huntington Ingalls Industries is involved in management of the US nuclear arsenal and related facilities, including tritium production at the Savannah River Site, the only source of new tritium for the US nuclear arsenal.

[Jacobs Engineering \(USA\)](#)

Jacobs Engineering Group is involved in the joint venture AWE-ML. They are The AWE is responsible for warhead maintenance for the UK's Trident II-nuclear arsenal. According to reports, the AWE facility is also developing a new warhead, the Mark 4A or Mk4A. The company is also part of the consortium responsible for the US nuclear weapons test site- Nevada National Security Site (NNSS) near Las Vegas.

[Larsen & Toubro \(India\)](#)

Larsen & Toubro is responsible for developing the launcher system for the nuclear-capable short-range surface-to-air Akash missile system for the Indian nuclear arsenal.

[Lockheed Martin \(USA\)](#)

Lockheed Martin is responsible for the construction of the Trident II (D5) nuclear missiles for the US and the UK. It is also involved in the production and maintenance of the Minuteman III nuclear intercontinental ballistic missiles for the US, and will now be developing the new Long Range Stand-Off (LRSO) missile. It is part of the team that manages the UK Atomic Weapons Establishment, that designs, manufactures and maintains nuclear warheads for the UK. It is also engaged in US nuclear weapons modernisation at the Pantex, Savannah River and Y-12 facilities.

[Northrop Grumman \(USA\)](#)

Northrop Grumman makes Intercontinental Ballistic Missiles (ICBM) for the US nuclear arsenal. It is currently involved the Minuteman III missiles, and will now be producing the new "Ground Based Strategic Deterrent" (GBSD) nuclear missiles. It also produces Trident II (D5) launcher subsystem components for the US and the UK. It is also partly responsible for the Nevada National Security Site (NNSS), previously known as the Nevada Test Site, which is engaged in aspects of nuclear warhead modernisation for the US arsenal and has also provided data to UK nuclear labs.

[Orbital ATK \(USA\)](#)

Orbital ATK (formerly known as ATK or Alliant Techsystems) produces rocket propulsion systems for Trident II (D5) submarine launched ballistic missiles for the US and UK nuclear arsenals. Orbital ATK is also responsible for the solid propellant stages of the Minuteman III Intercontinental Ballistic Missile (ICBM) for the US and has a contract to

produce components for the new "Ground Based Strategic Deterrent" (GBSD) nuclear missiles". It is also involved in the nuclear weapons facilities Y-12 and Pantex which are refurbishing nuclear weapons for the US arsenals. Northrop Grumman announced it will acquire Orbital ATK in the first half of 2018.

Safran (France)

Safran and Airbus together form ArianeGroup which is in charge of producing the solid rocket motors on the M51, the strategic ballistic missile in France's nuclear arsenal. The M51 carries multiple warheads and is replacing the M45.

Serco (United Kingdom)

Serco is part of the joint venture AWE-ML, which runs the UK Atomic Weapons Establishment. It is responsible for manufacturing and maintaining the nuclear warheads for UK arsenal. It is also involved in the development of an entirely new warhead, the Mark 4A or Mk4A which reportedly commenced without formally notifying the UK parliament.

Thales (France)

Thales is working alongside the French government to modernise the M51.3 nuclear ballistic missiles and keep the ability to launch them from submarines. It has also been directly involved in production of the French M51 nuclear missile.