

Nuclear Power – Nuclear power and waste disposal

The Stewardship Trusts recognise the concerns of investors who do not wish to profit from company groups significantly involved in the nuclear power industry.



FRIENDS PROVIDENT

NUCLEAR POWER – NUCLEAR POWER AND WASTE DISPOSAL MAY 2001

The Stewardship Trusts recognise the concerns of investors who do not wish to profit from company groups significantly involved in the nuclear power industry.

Therefore the Trusts will not invest in company groups that own or operate nuclear power stations, or own or operate nuclear waste management facilities. Further, the Trusts will not invest in company groups that derive more than 3% of their revenues from selling products or services to the nuclear power industry, except those that provide standard, non-customised or safety-related products or services.

Companies involved in the medical applications of nuclear technology (eg. Radioactive isotope labelling, radiation treatment etc), and the handling and disposal of small amounts of related low-level wastes are excepted from this policy because these wastes derive from therapeutic or otherwise benign processes.

BACKGROUND

Nuclear power plays an integral part in many nations' energy policies. In 1999 436 nuclear power plants were operating in 31 countries around the world, and in the UK the International Atomic Energy Authority estimates that around 27% of our electricity demand is generated from nuclear power.

Virtually all methods of power generation have some environmental or human health impacts, but some are greater than others. While coal and oil generate high greenhouse gas emissions, nuclear power produces negligible amounts. Its advocates therefore suggest that nuclear power should form part of a country's power generation capacity, as it can help them to meet their greenhouse gas reduction targets as set out under the Kyoto Protocol.

Several countries have rejected nuclear power as a means of power generation because of concerns about its immediate and long-term safety, both in human and environmental terms.

These concerns range across all aspects of the nuclear power generation chain: from uranium mining and reactor fuel manufacture, through the construction and operation of nuclear power plants and nuclear waste transport and processing, to plant and installation clean-up and eventual decommissioning. There is also an undeniable link between the proliferation of nuclear power and nuclear weapons.

While several governments and independent bodies have tried to quantify the risks inherent in nuclear power generation, they have been unable to do so. Further, there is no agreement about how to manage the industry effectively and safely, nor is there any known method of disposing of high, medium or low-grade nuclear waste (produced both by power stations and weapons) that can be guaranteed safe in the long term.

The damage to human health and the environment that can result from radioactive contamination, caused by catastrophic accidents at nuclear plants, is highly significant. While the effects of long-term exposure to high-level radiation are not thoroughly understood, they are known to be devastating. In addition, ongoing operations at nuclear plants and waste processing and disposal facilities - which are an inevitable accompaniment to the most common kind of nuclear reactor - pose a risk to health. There are internationally-adopted thresholds for exposure of workers and the public to nuclear radiation, but these are not the same as absolutely safe limits.

Research to determine whether clusters of cancers, and other diseases that occur in populations living near nuclear facilities are related to their operations continues. Moreover that no long-term solution has been found to safely dispose of highly toxic and persistent nuclear waste and plant while stocks of such waste inexorably accumulate, is of particular concern to many.

The Trusts therefore believe that the case has not been made for the benefits of nuclear power to outweigh the risks to current and future generations, and therefore apply a strict exclusion policy in this area.

Information links

Several organisations are able to provide further information on this and related topics, and Friends Provident Stewardship has taken their views into account in defining its policy. However Stewardship does not necessarily adopt the full range of their policies, views, opinions or activities. Here is a selected list of these organisations and their web addresses.

<http://www.greenpeace.org.uk/> Greenpeace's nuclear campaign site

<http://www.iaea.or.at/programmes/inis/inis.htm>. The International Atomic Energy Authority's International Nuclear Information System

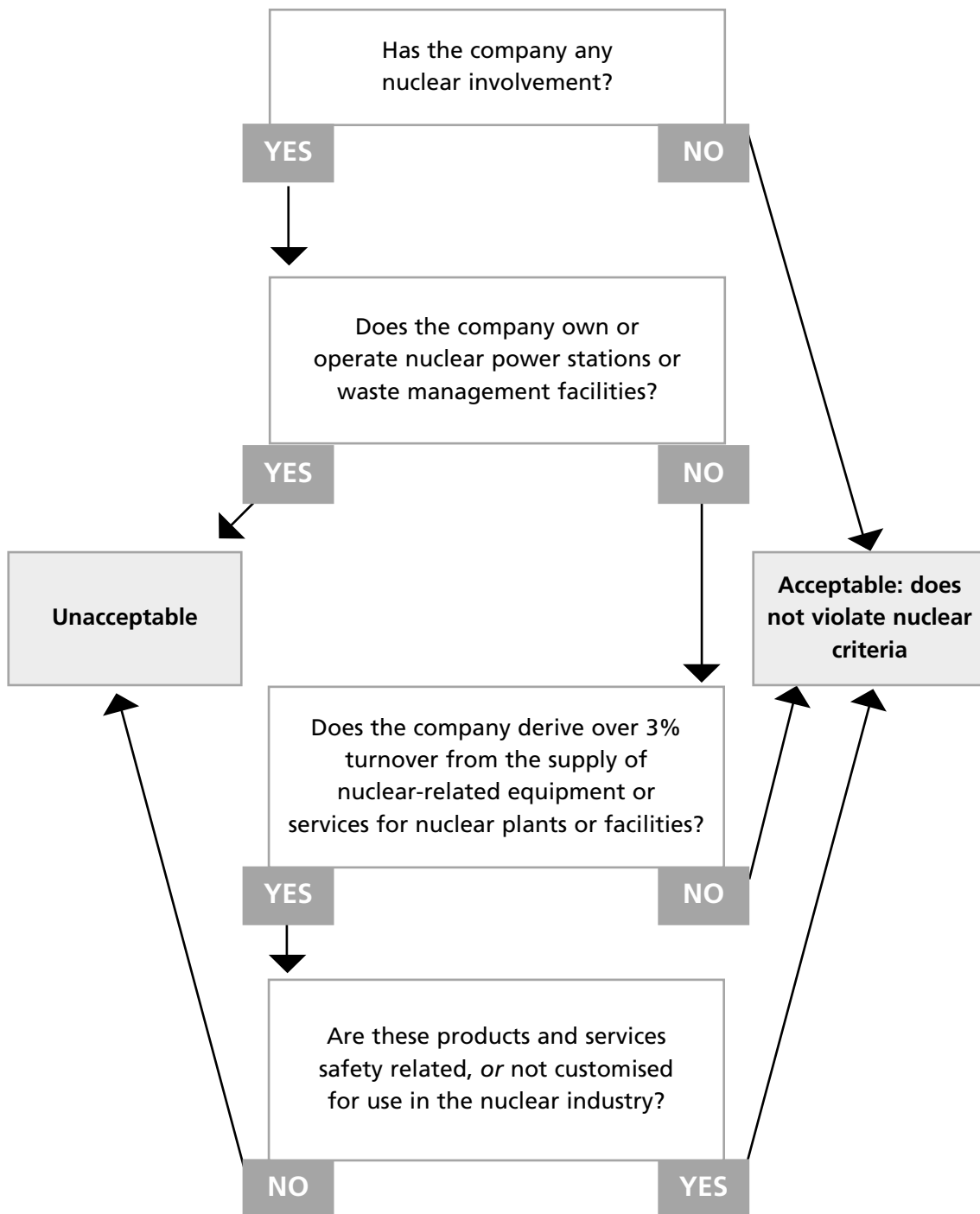
<http://www.foratom.org/>: The trade association for the European nuclear fuel industry

<http://www.bnif.co.uk> British Nuclear Industry Forum, the trade association and information body for the British civil nuclear industry, representing over 60 companies involved in the nuclear industry.

<http://www.cnduk.org/>: The UK Campaign for Nuclear Disarmament

QUESTIONS AND ANSWERS

How Stewardship decides



The above flowchart illustrates part of the methodology applied to the decision making process. The Committee of Reference carefully uses its judgement and experience to balance the company's overall performance on social and environmental issues, before it is finally approved for investment.

Note: The value of an investment is not guaranteed and can go up and down depending on investment performance. Full terms and conditions are available on request



FRIENDS PROVIDENT

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