

Industry Wide Commitment to Sustainability

By Ruth Euling, Managing Director Currency, De La Rue and Board Member, ICA

We are already seeing the impact of the emerging environmental crisis on the planet. The currency sector is recognising the threat and acting to do its part. If it had been a normal year the conference agendas would have been dominated with the topic of sustainability. And despite the massive disruption of the pandemic, the topic has continued to receive focus due to its importance.

We see that the currency sector is more committed than ever to working together to improve the sustainability of the cash cycle. Only last month the International Currency Association (ICA) led the adoption of a currency-wide Sustainability Charter (see page 3). The charter was presented at the ICA's Annual General Meeting and holds the industry to an agreed framework. It aims to ensure every aspect of the cash cycle minimises its impact and is symbolic; the currency industry is now working together to ensure that cash continues to be a safe, reliable and accessible means of payment.

Decade-long commitment

Sustainable end-to-end manufacturing lies at the heart of De La Rue and we have been committed to minimising the environmental impact of our operations and products for over a decade.

ISO 14001 certification (for environmental management systems) began in our first sites back in 2003 and we have submitted data on our climate change impact to the Carbon Disclosure Project for every year since 2010, improving our carbon impact significantly over the past decade.

We've gradually bought in a more holistic approach with more sophisticated governance and share here our approach and examples of some of the areas of focus in the hope that the currency sector can share best practice and learn from each other.

Reducing the collective impact of our sector and getting ideas from one another is bigger than one company and vital for the cash industry to survive. Therefore, we are committed to the ICA Sustainability Charter and have also made a long-term commitment as a participant of the United Nations Global Compact.

Effective governance is key to ensuring the right parameters are measured, reporting is transparent and that investment focuses where it makes a difference. Our group HSE Sustainability policy is published and Corporate Environmental Standards have been defined. The group HSE committee, involving members of the Executive Leadership Team, meets regularly to review progress and strategy.

A large focus has been on measuring the base environmental impact of our operations. We continue to refine and automate our measurements, for instance with recent sub-metering to monitor energy usage on large process equipment in the Debden printworks.

Benchmarking extends to quantifying the impact of our banknotes through their entire lifecycle; this process is non-trivial, using an internationally recognised environmental impact assessment approach, specifically tailored for De La Rue by Thinkstep. It covers the six main stages of the life of a banknote (raw material production, substrate production, printing, transportation, circulation and end-of-life disposal).

The assessment covers two main impact factors: the global warming potential (kg of CO₂ equivalent) and non-renewable primary energy demand (MJ). It also considers four additional impact indicators: abiotic resource depletion potential, acidification potential, eutrophication potential and photochemical ozone creation potential.

Prioritising investment

Quantifying the environmental impact of our operations allows us to prioritise our investment in initiatives that make a difference. In Malta we anticipate saving approximately 2.5 million kWh per annum due to investment in new chilled water networks, 'cool roofs' that lower the temperature of the building by 2°C, a centralised compressed air system and replacement of old equipment. Energy efficient lighting alone in Malta has reduced annual energy consumption by the equivalent of approximately 140 households.

Our UK sites, meanwhile, have run on 100% renewable power since July 2019 and heat generated from our thermal oxidizer used during the production of our SAFEGUARD® polymer substrate is fed back into the drier units on the line.

Quantifying the environmental impact of our operations also allows us to offset some of them. A 'carbon neutral banknote service' is offered whereby De La Rue works with a banknote issuing authority to identify and invest in a project (via Carbon Footprint Ltd) that meets the Quality Assurance Standard (QAS) for carbon offsetting, which requires a rigorous third party audit. Recent examples of offsetting projects include tree planting in the Great Rift Valley in Kenya and an Indonesian geothermal power project.

Polymer key to sustainability

SAFEGUARD is a core part of our sustainability commitment. Polymer banknotes last longer, meaning fewer notes are required and the notes in circulation require significantly less processing and transport. Reducing the environmental impact is a major reason for some central banks upgrading to polymer banknotes. Fundamentally people do not throw away banknotes and so the normal criticism of single-use plastic does not apply here – once past their useful life polymer banknotes are returned to the banknote issuing authority and various recycling options are available.

In the UK for instance, De La Rue's polymer printing waste is sent for recycling and reprocessing into new plastic materials used for new processes, and we can support all central banks with the best recycling options for them.

The UK was the first major economy to pass a net zero emissions law, bringing all greenhouse gas emissions to net zero by 2050. This is one of the most ambitious targets in the world and De La Rue will ensure it meets government requirements and seeks to minimise its impact wherever possible.



Samoa's commemorative 10 tala note, issued last year to mark the 16th Pacific Games, was the world's first carbon neutral banknote.