

***CaixaBank, the first bank in Spain to introduce cards made from biodegradable and recycled materials, is starting to make changes to the production of all its payment methods***

## ***CaixaBank will replace plastic with recycled materials when issuing new cards***

- ***In 2021, 85% of the cards issued by CaixaBank will use recycled plastic and biodegradable components.***
- ***In addition to replacing materials, the bank is making changes to printing techniques to reduce its carbon footprint while also improving the internal recycling circuit for expired cards.***
- ***Through its subsidiary CaixaBank Payments & Consumer, CaixaBank is the sector leader in Spain with more than 18.8 million cards issued.***

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CaixaBank, Spain's leading retail bank, will start to issue its cards made from recycled materials from 2021 onwards. The bank headed by Gonzalo Gortázar, which through its subsidiary CaixaBank Payments & Consumer leads the Spanish payment method sector with over 18.8 million cards issued, will stop using virgin plastic to manufacture physical cards and will instead use recycled (R-PVC) or biodegradable (PLA) materials with a lower environmental impact.

Given CaixaBank's high volume of cards and the wide range of card types and brands available, the new cards will be phased in gradually. 85% of new cards issued over 2021 are expected to be made from sustainable materials. By the end of the year, some five million CaixaBank cards made from the new materials are expected to be in circulation.

As a result, CaixaBank will become the first financial institution in Spain and one of the first banks in the world to issue cards made from alternative materials with a lower environmental impact.

### **New materials with less environmental impact and guaranteed durability**

Most new CaixaBank cards will use recycled PVC (R-PVC), an alternative to virgin plastic

with a lower carbon footprint, made from recycled materials sourced from construction industry waste, plastic bag recycling, and old cards, etc. For certain types of cards, CaixaBank will use PLA, a biodegradable material of biological origin that eliminates the use of fossil resources. In addition to reducing the environmental impact of plastic, the new cards made from either material have a guaranteed lifespan of at least five years.

Meanwhile, the techniques used to print the customer's name and card details will also be improved to reduce the environmental impact. CaixaBank currently customises only one side of the card (the back). Furthermore, ink printing has been replaced by laser technology, which not only generates less waste but also increases the card's lifespan.

In fact, the bank already operates a recycling circuit for all expired or unused cards. When a customer hands in an expired card at a branch, CaixaBank activates a process through which the material can be recycled and repurposed.

### **A pioneering bank in the manufacture of cards with sustainable materials**

By deciding to issue cards exclusively made from recycled and biodegradable materials, CaixaBank culminates a process launched in 2019, when it introduced cards made from sustainable materials for the first time in Spain. As an initial step, the bank's entire range of gift cards (some 150,000 units a year) is now made from a biodegradable material (polylactic acid, derived from corn starch), which eliminates waste once a card expires (gift cards have a maximum service life of two years).

In August 2020, CaixaBank launched its recycled Visa & Pay card, the first card made from 100% recycled materials (in this case, R-PVC) marketed in Spain. There are currently 125,000 recycled Visa & Pay cards in circulation.

CaixaBank's decision to issue its entire range of cards using more sustainable materials will help to reduce its carbon footprint. According to technical data, 45% less water is consumed and 15% less CO<sub>2</sub> is emitted to manufacture an R-PVC card than a plastic card.

### **Commitment to the environment**

CaixaBank is one of the world's leading banks in the fight to mitigate the effects of climate change. CaixaBank, listed in the Carbon Disclosure Project (CDP) index as a global leader in strategies and policies to combat climate change, believes that sustainability should be an integral part of an organisation's business model. For this reason, the environmental strategy constitutes one of the five pillars of the Socially Responsible Banking Plan.

CaixaBank is committed to advocating for sustainability beyond its legal obligations and has made the environmental component a key part of its business activity. As a result, CaixaBank is a signatory of the Equator Principles and also includes environmental impact in its risk management framework. Similarly, the financial institution is committed to the fulfilment of the Paris Agreement.

In terms of environmental impact management, CaixaBank has a specific 2019-2021 Environmental Management Plan that includes, among others, energy efficiency, consumption reduction measures, and extending its environmental commitment to the value chain. Thanks to its active emissions control policy, CaixaBank has managed to reduce its emissions by 85% since 2009.

CaixaBank has also become the only listed Spanish bank to offset all the greenhouse gas emissions generated and calculated in its carbon footprint, making it a "Carbon Neutral" entity. For example, in August 2020, CaixaBank announced its support for a project in Brazil to protect hectares of Amazonian forest in the state of Pará to offset its emissions in 2019.

The bank was the first Spanish organisation to be included on the RE100 list, an initiative that seeks to increase the supply and demand for clean energy. CaixaBank is also a member of the Spanish Green Growth Group, which advocates economic growth linked to a low-carbon economy.

The company has also signed up to the United Nations Collective Commitment to Climate Action, a declaration created within the framework of the Responsible Banking Principles so that the financial sector mobilises its products, services and relationships in a way that facilitates the economic transition towards a sustainable model. The commitment aims to align the portfolios of financial institutions all over the world in order to finance a low-carbon economy, with the hope of limiting the rise in global temperatures to under two degrees Celsius.

### **About CaixaBank Payments & Consumer**

CaixaBank Payments & Consumer, a fully-owned subsidiary of CaixaBank, is the leading consumer finance and payment services provider in Spain, the result of the merger of CaixaBank Payments, CaixaBank Consumer Finance, PromoCaixa, and 20 other subsidiaries.

The company, chaired by Juan Antonio Alcaraz, Head of Retail, Business and Private Banking, and with Juan Gandarias as CEO, manages an outstanding credit of close to €8.3 billion and is the leading bank in card payments in Iberia, with 20.4 million units sold in Spain and Portugal and a market share in turnover of 23.3% for purchases and 24.1% through POS terminals in businesses.

The company's mission focuses on developing solutions to offer the best payment experience and facilitate the funding of our customers' projects and dreams, in a simple, agile and responsible way, through its own channels and agreements with major commercial distributors.

CaixaBank Payments & Consumer has more than 15 million customers in Spain and Portugal. In addition to its international vocation, CaixaBank is working to accelerate its digital transformation and technological capabilities and to strengthen its environmental plan to reduce the impact of its activity.