

SLF SUMMIT - CIRCULAR ECONOMY IN SERVICE LOGISTICS

15th of November 2018



Our vision: Leading the Circular Economy for electronics through innovative diagnostic, repair and value recovery solutions



LEADING LIFECYCLE CARE SOLUTION PROVIDER

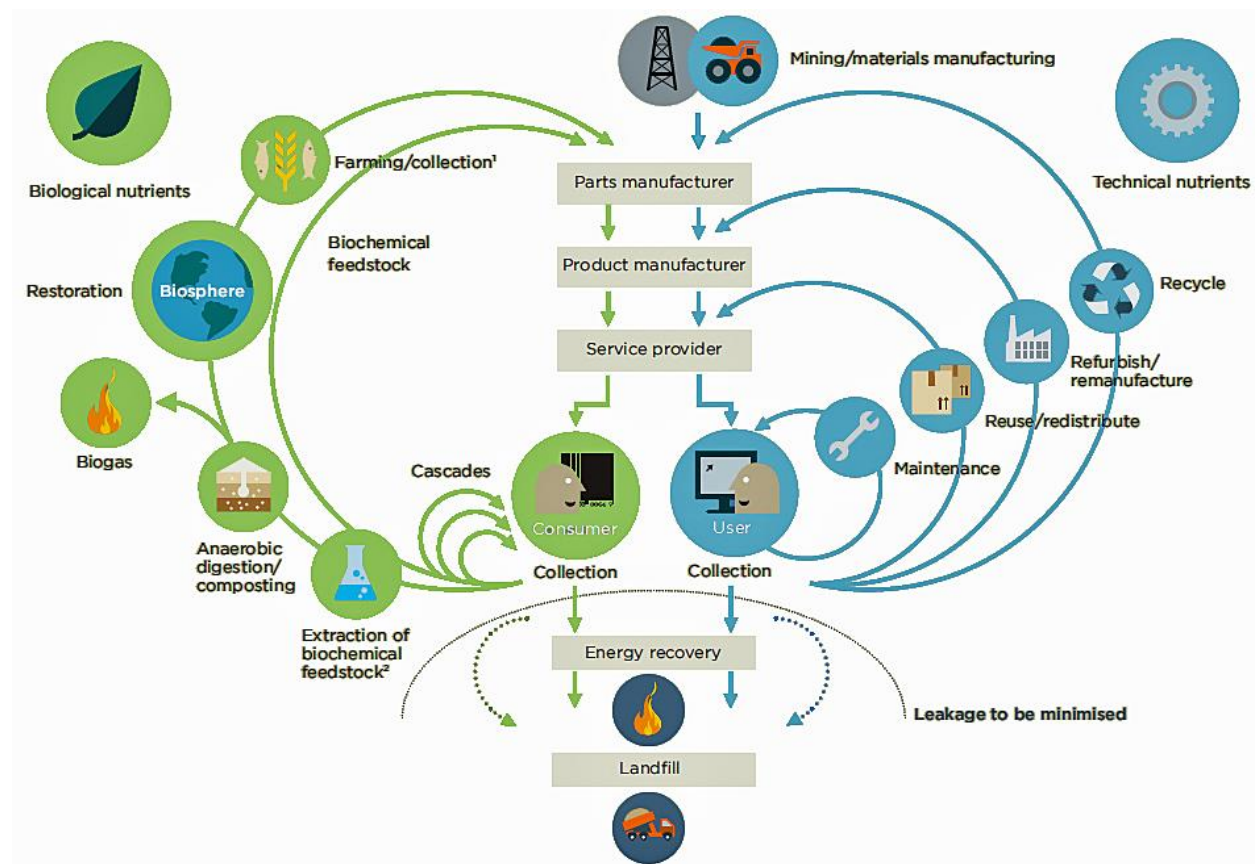


STRATEGICALLY LOCATED TO SUPPORT GLOBAL BUSINESS



THE CIRCULAR ECONOMY AIMS TO KEEPS PRODUCTS, PARTS, AND COMPONENTS AT THEIR HIGHEST UTILITY AND VALUE

The circular economy - an industrial system that is restorative by design

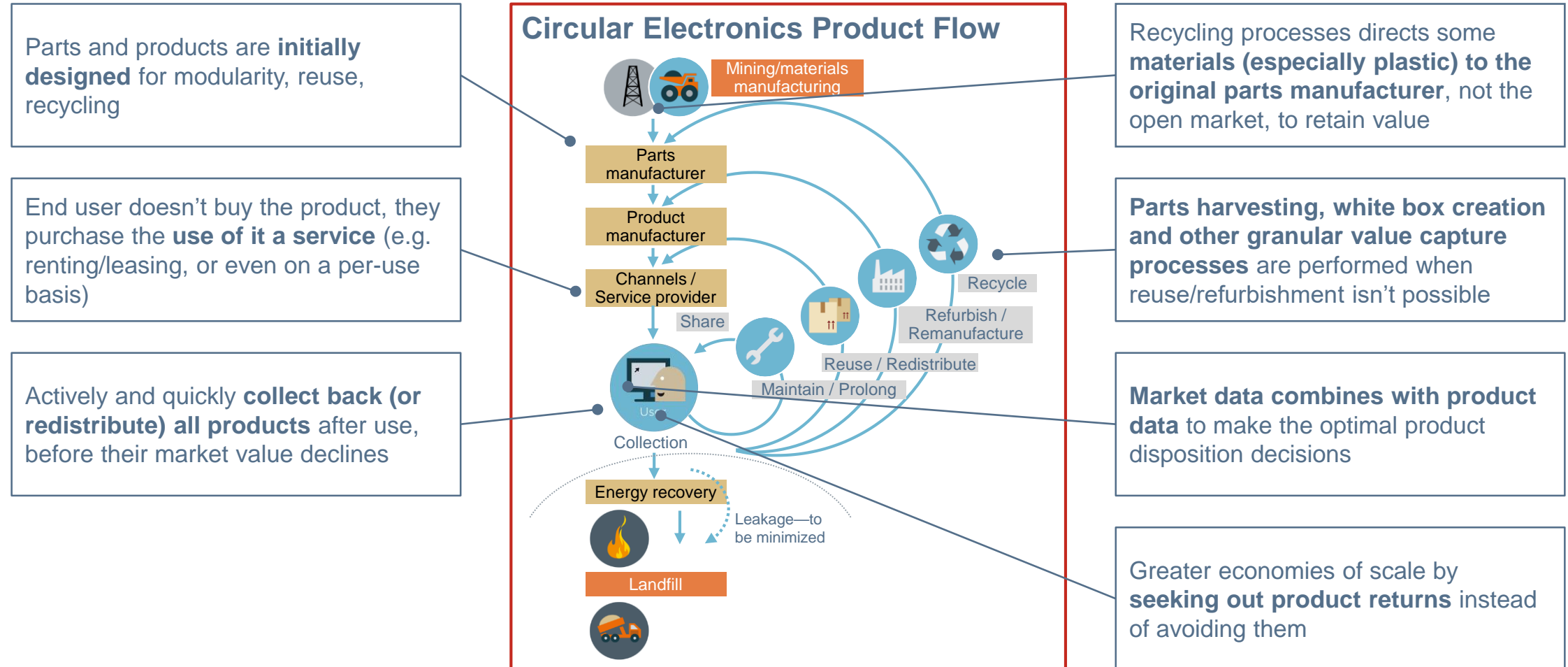


1. Hunting and fishing

2. Can take both post-harvest and post-consumer waste as an input

Source: Ellen MacArthur Foundation circular economy team

HOW COULD THE CIRCULAR ECONOMY WORK FOR ELECTRONICS?



BENEFITS FROM CIRCULARITY FOR CUSTOMERS

Internal Benefits

- Revenue visibility and security when products sold as a service
- Reverse logistics economies of scale
- New revenue streams
- Reduced waste
- Value capture at the part and subassembly level
- Hedge against fluctuating commodity prices
- Supplier leverage by controlling material supply
- Reduction in secondary market
- Employee and Recruiting benefits

External Benefits

- End user loyalty and retention
- More touch points
- Protection from counterfeit
- Positive environmental impact
- Positive or Less negative press
- Appeal to environmentally conscious customers
- Beyond the regulatory requirements
- Sustainable companies seen as more attractive to investors
- Lower supplier risk

IDEAS ON HOW TO NAVIGATE YOUR CIRCULAR JOURNEY

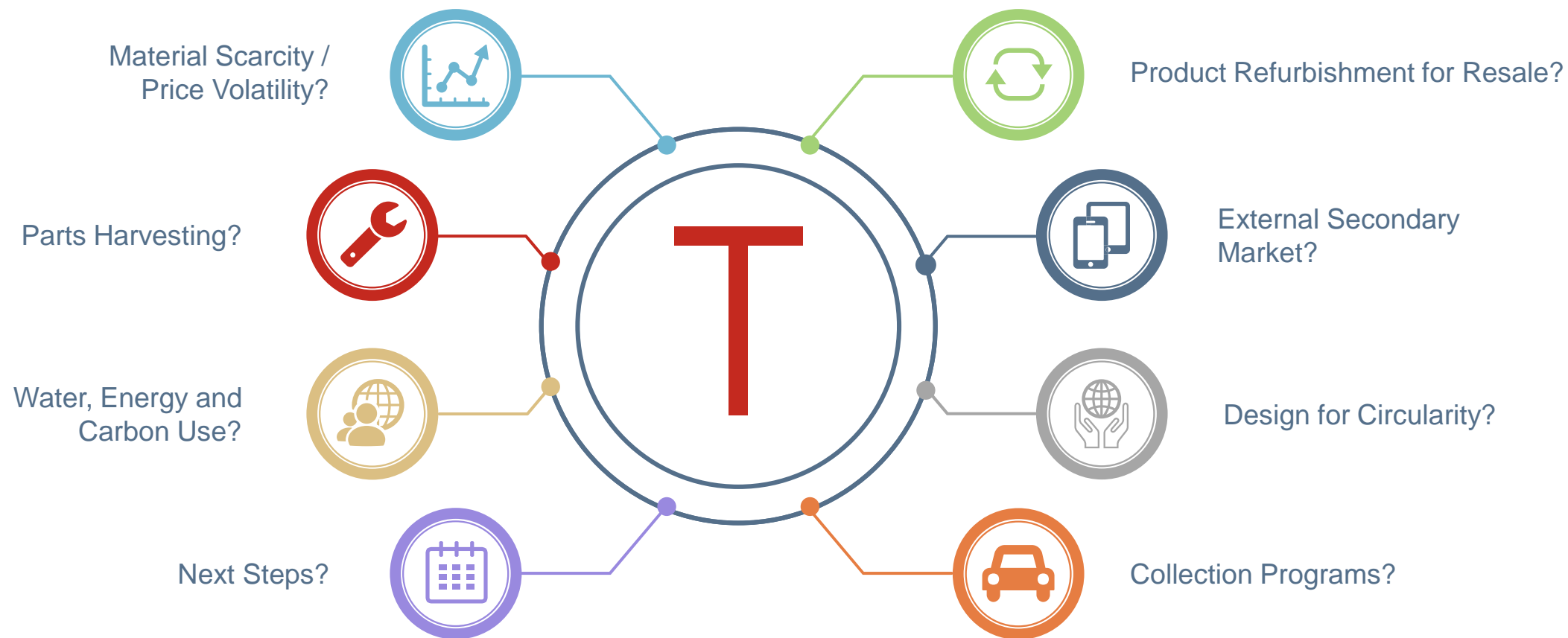
Figure out your starting point: Perform a high-level circularity assessment and then explore from there – where do your products actually go after their first use? Are there better opportunities to reuse “waste”?

Consider product returns as a source of value: Pilot programs such as take-back/upgrade programs to solicit products for reuse/resale/value capture

Investigate new business models: could selling product “as a service” (leasing/pay-for-performance) increase customer connection and create product loyalty

Design for circularity: Engage to explore ideas to design products for disassembly, repair, upgradability, and reassembly

CONSIDERATIONS TO HELP ASSESS PRODUCT'S CIRCULARITY



MIND SET CHANGE IN THE INDUSTRY (1)

“Circular Economy is no longer a cost center but a revenue driver”



MIND SET CHANGE IN THE INDUSTRY (2)



“Supply Chain companies are very well positioned to adopt Circular Economy elements”