

CIRCULARITY
CAPITAL



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Artwork: Sarah Churchill Slough



Commodity prices & volatility



Security of supply



Increasing global demand



Servitization / 'User Revolution'



Technology



Image: Desso

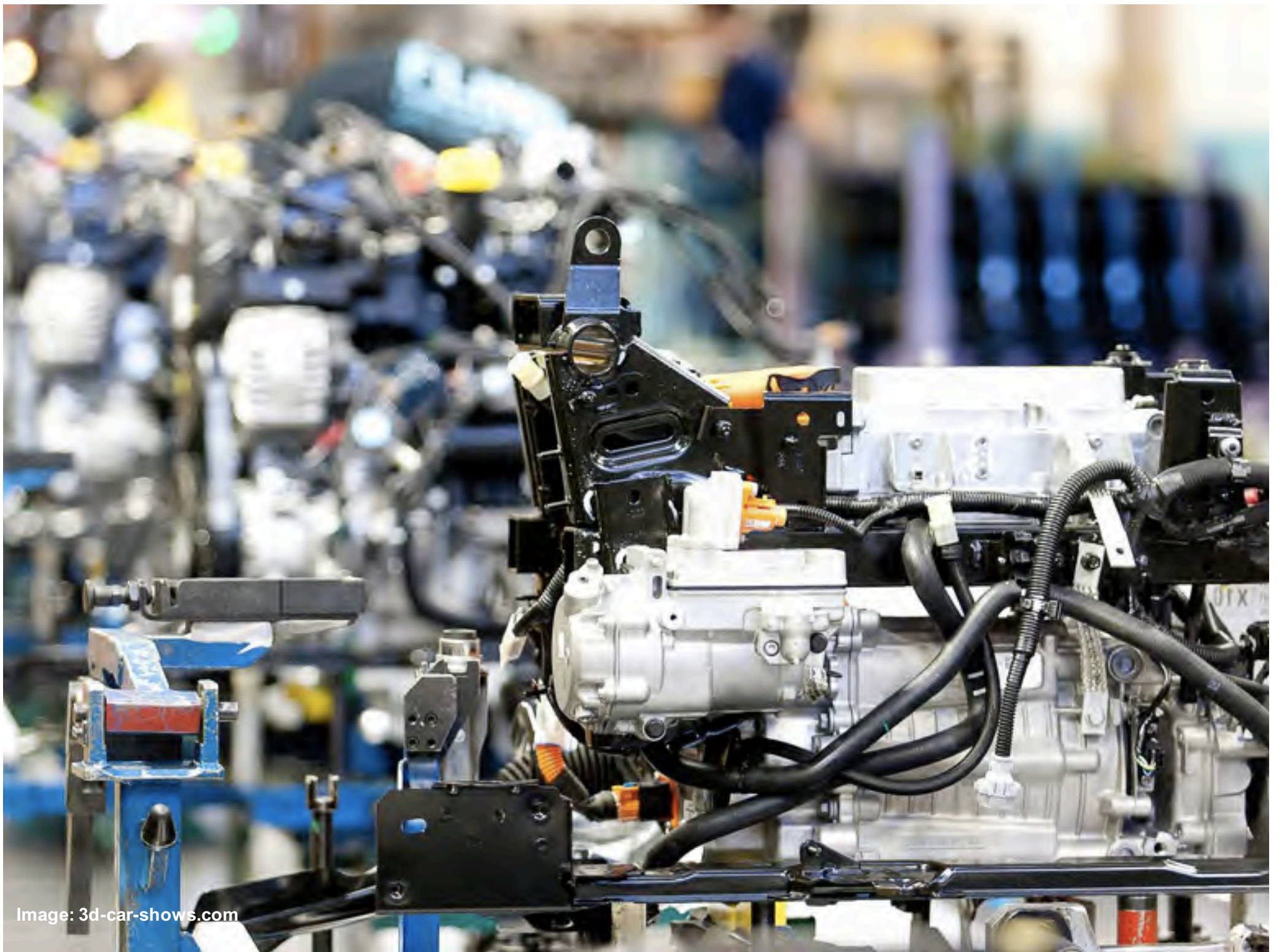




Image: Philips







Image: Wikimedia Commons



Image: Wired

SUBSTANTIAL SAVINGS WITH MINOR CHANGES TO EXISTING SETUPS

TRANSITION SCENARIO		Profit change in circular activity for USD 1 mn in sales 000' USD	Net material cost savings for USD 1 mn in sales 000' USD
Example			
Mobile phone – Remanu-facturing		+110	213
Light commer-cial vehicle – refurbishment		+50	489
Washing machine – refurbishment		+139	284
Smartphone – refurbishment		+35	211

Note: Transition scenario: Conservative assumptions, focusing on changes in product designs, reverse cycle capabilities

Advanced scenario: Assuming more radical change especially in terms of further developed reverse-supply-chain competencies, and other enabling conditions like customer acceptance, cross-chain and cross-sector collaboration and legal frameworks

SOURCE: Ellen MacArthur Foundation circular economy team

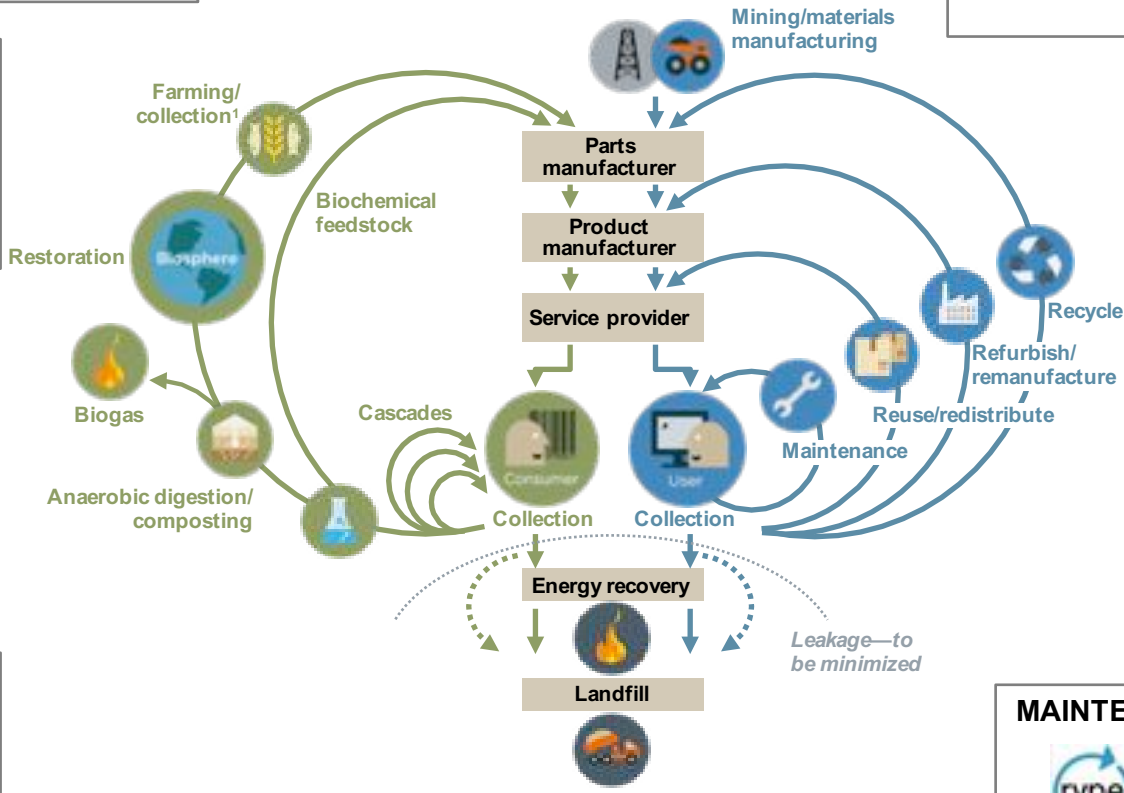


SMEs play a key role in unlocking the commercial value of the circular economy acting as enablers and disruptors

BIOCHEMICAL FEEDSTOCK VALORIZATION:

MANUFACTURING-REMANUFACTURING:

ANEROBIC DIGESTION/COMPOSTING:



REUSE/REDISTRIBUTION:

BIOLOGICAL CASCADING:

WASTE = VALUE – RECYCLING:

REVERSE-CYCLE/LOGISTICS:

MAINTENANCE:

SYSTEM ENABLERS:

CIRCULARITY
CAPITAL







**CIRCULAR ECONOMY
OPERATORS**



**CIRCULAR ECONOMY
TRANSFORMERS**



**CIRCULAR ECONOMY
ENABLERS**



Attractive Sectors

Product Attributes

- High value assets
- Low rate of technology development
- Low rate of product evolution
- Relatively complex products/components
- Highly functional
- Medium to long term product life
- Business to business relationships

- Aerospace
- Agricultural
- Automotive/transportation
- Marine
- Energy
- Personal & Business IT equipment
- Logistics
- Gym/fitness equipment
- Healthcare & dentistry
- Scientific equipment
- Lighting
- Food & Drink
- Textiles



Balance sheet extension

Credit risk

Sources of financing

Reporting

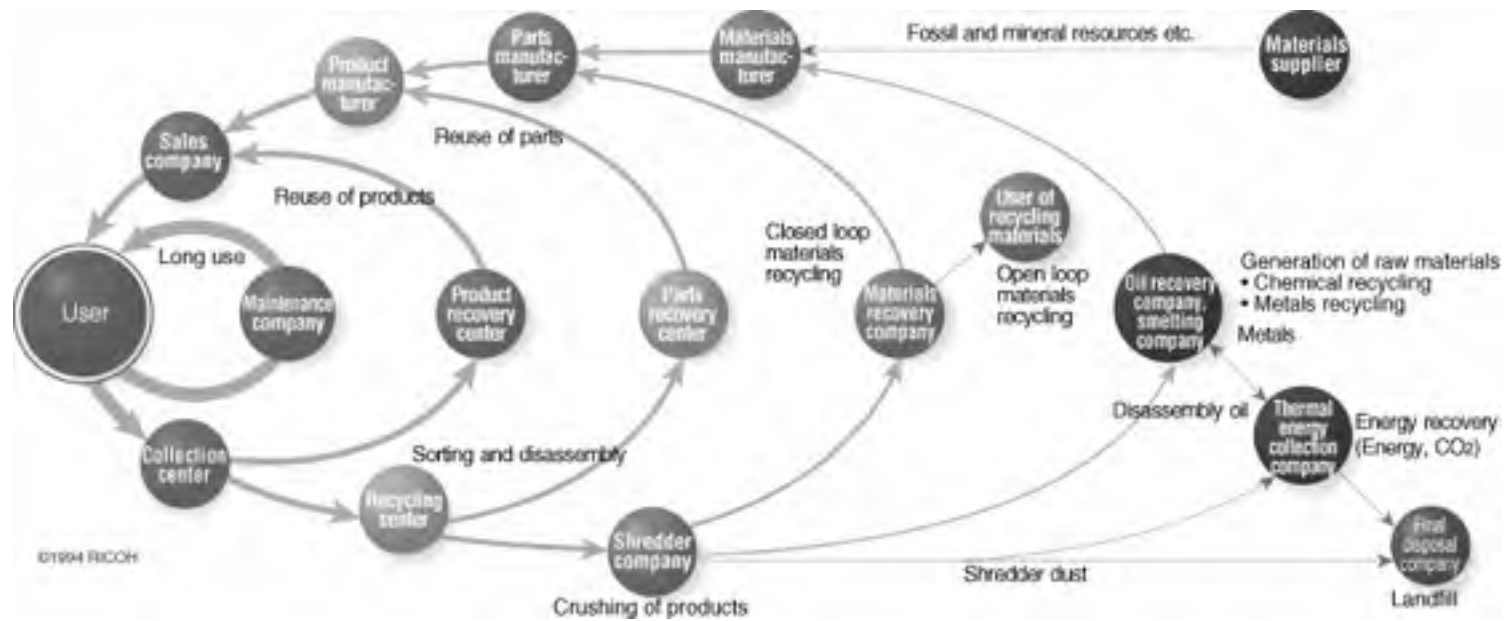
Working capital

Cash flow

Cost price calculation

Valuation

Insight from FinanCE Working Group



- ✓ **ENABLING BUSINESS MODELS**
- ✓ **OPTIMISED PRODUCT & MATERIAL DESIGN**
- ✓ **SUPPLY CHAIN & REVERSE CYCLE**
- ✓ **ALIGNMENT OF INCENTIVES**

- ✓ **STRATEGIC SUPPORT & GUIDANCE**
- ✓ **SPECIALIST OPERATIONAL SUPPORT**
- ✓ **ACCESS TO INFORMATION**
- ✓ **ACCESS TO OPPORTUNITIES**



Image: Venturebeat