

IBM & The Circular Economy

Key facts



+300%

Raw material price increase since 1998 ^[1]

\$ 380 - 630 billion

Estimated material value loss in Europe (annually) ^[1]

40%

of industrial costs are resources, only 18% is labor

43% of CEOs

cite Circular Economy as key innovation for business ^[1]

< 10 years

Until 88% of rare earth metals are depleted ^[1]

95%

of all heavy earth metals are under Chinese control

Quotes from top executives



"Thanks to our circular economy approach our refurbishment plant is by far the most profitable in our entire global operations" – **Renault COO**



"At Philips... the transition from a linear to a circular economy is a necessary boundary condition... By using materials more effectively, economic growth will be decoupled from the use of natural resources ... to create more value" – **CEO of Philips**



"Circularity increased market share from 15% to 25% with 8 times ROI within 4 years" – **Chairman of DESSO**



What is the Circular Economy?



"Product as a consumable"

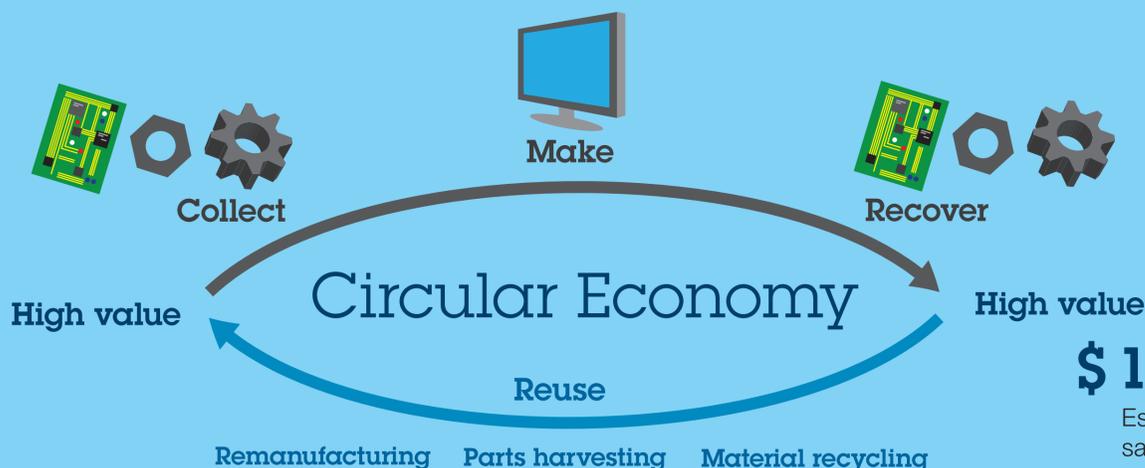


Linear Economy

\$ 380 - 630 billion

Estimated material value loss in Europe (annually) ^[1]

"Product as a service"



Circular Economy

\$ 1 trillion

Estimated total material savings potential (annually) ^[1]

Why is IBM uniquely positioned?



> 25 years

of optimized asset reuse and refurbishing through GARS (inhouse)

91%

of GARS refurbished machines readied for resale & reuse in 2011

Leader

in IT asset disposal ranking in North America (Gartner)

CE 100 member

Member of 100 global leading partners to promote transition towards the Circular Economy. Partnership with EPEA

Gold medal

for International Corporate Achievement in Sustainable Development

Our CE offerings



Advise

Trusted Advisor for the optimal **CE Business** and **Target Operating Models**

Data & Analytics

Technology partner for **Data Integration and Analytics** to optimize the asset reuse channels (circularity analytics as a service on **Cloud**)

Outsourcing Partner

Trusted Partner in executing (**outsourced**) Operational Processes for Asset Reuse

Contact point



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[1] <http://www.ellenmacarthurfoundation.org/business/reports>

