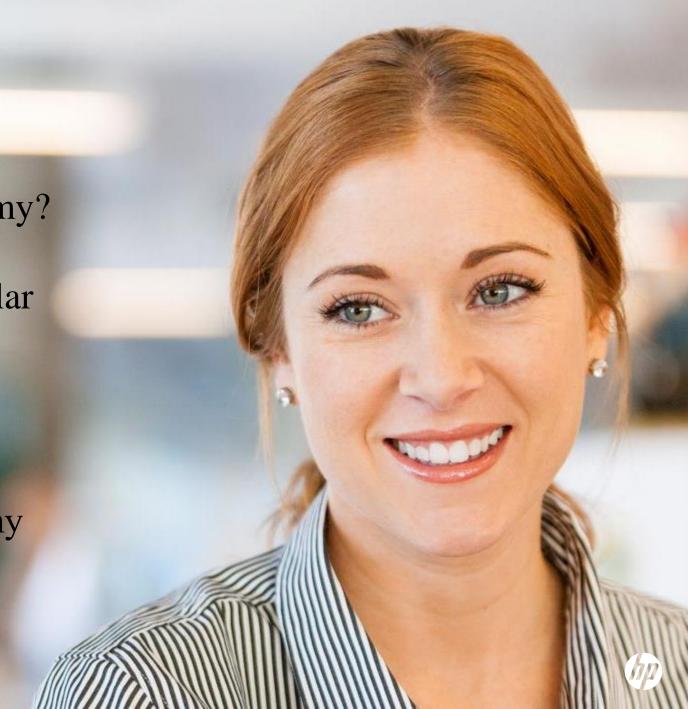


Frances Edmonds
Head of Sustainability
HP Canada
January 2017



### Agenda

- Why do we need a circular economy?
- What's your value chain?
- Definition & benefits of the Circular Economy
- Examples and issues
- Procurement: quick fix or starting point to drive circularity
- HP's work in the Circular Economy
- The next industrial revolution?
- Your take aways





# Facing the challenges of this century

- Global population is on pace to hit 9.4 billion by 2050
- There has been a 95% increase in human population since 1970
- Global middle class is expected to reach 3.6 billion by 2030
- In the next 20+ years, energy use will rise 53%, GHG emissions will rise by 43%, and demand for water will be 40% higher than supply



Number of Earths we'll need by 2050





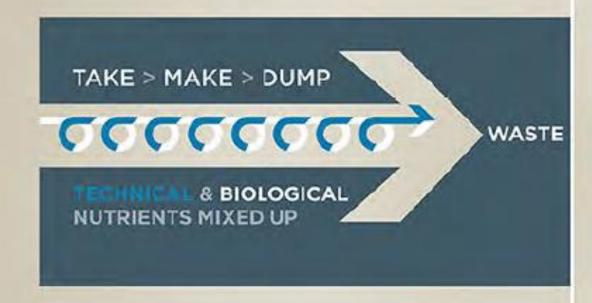






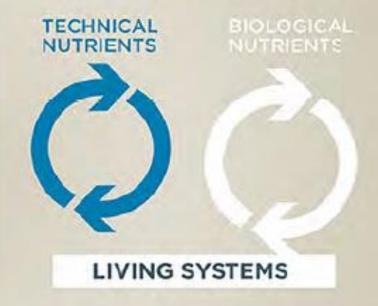
### LINEAR ECONOMY AND CIRCULAR ECONOMY

### LINEAR ECONOMY



**ENERGY FROM FINITE SOURCES** 

### CIRCULAR ECONOMY



**ENERGY FROM RENEWABLE SOURCES** 



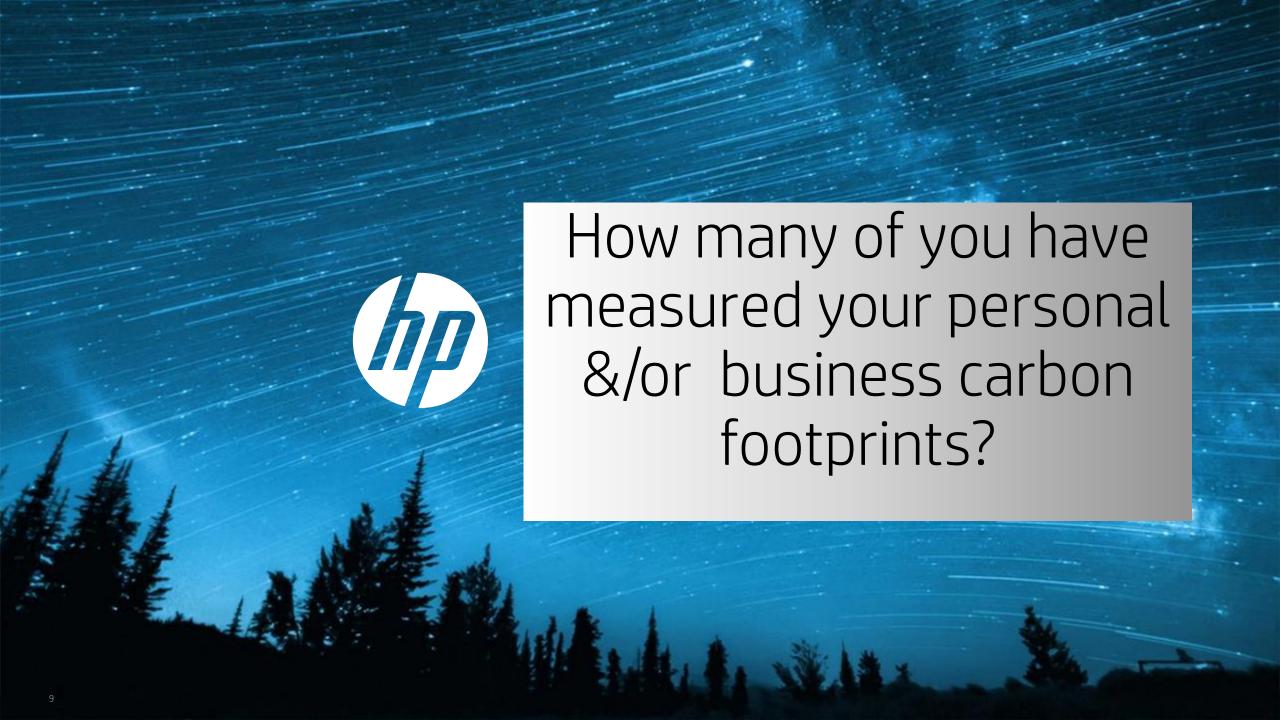
### Ontario's Environmental commissioner's report on climate change

### What Can I Do?

- Climate cannot be left up to government
- Reduce your carbon footprint
- Speak up
- Get ready to adapt
- It's not too late







### GHGs: Where are we now?







Every
60 Seconds
HP ships....

105 PCs

88 Printers

880

Ink/Toner Cartridges









## HP full Carbon footprint 2015 ... 45,432,100 tonnes CO2e



**Supply chain** 

41%

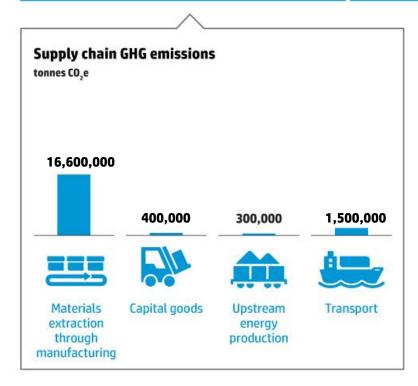
**Operations** 

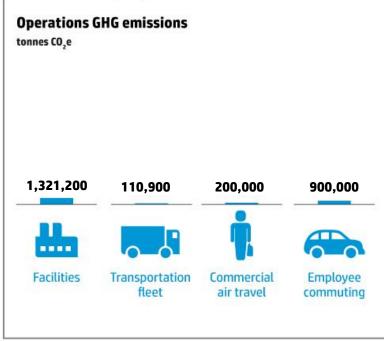
6%

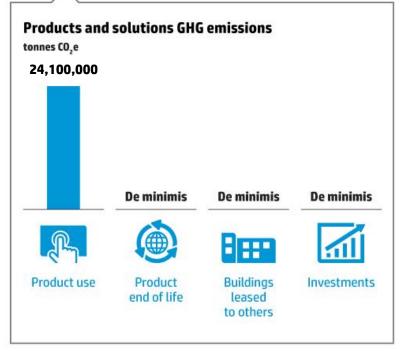
**Products and solutions** 

**53%** 

In 2015, our carbon footprint was 11% less than 2014







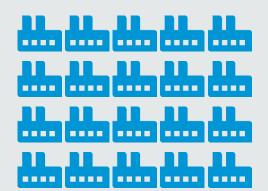


# HP in action: supply chain responsibility

### HP progress



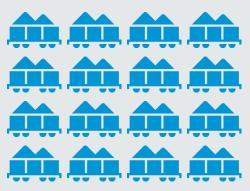
To require direct employment of foreign migrant workers in supply chain 84% Suppliers in SER scorecard program showed effective or exceptional performance





78,000
Factory workers were reached during the year through training and empowerment programs

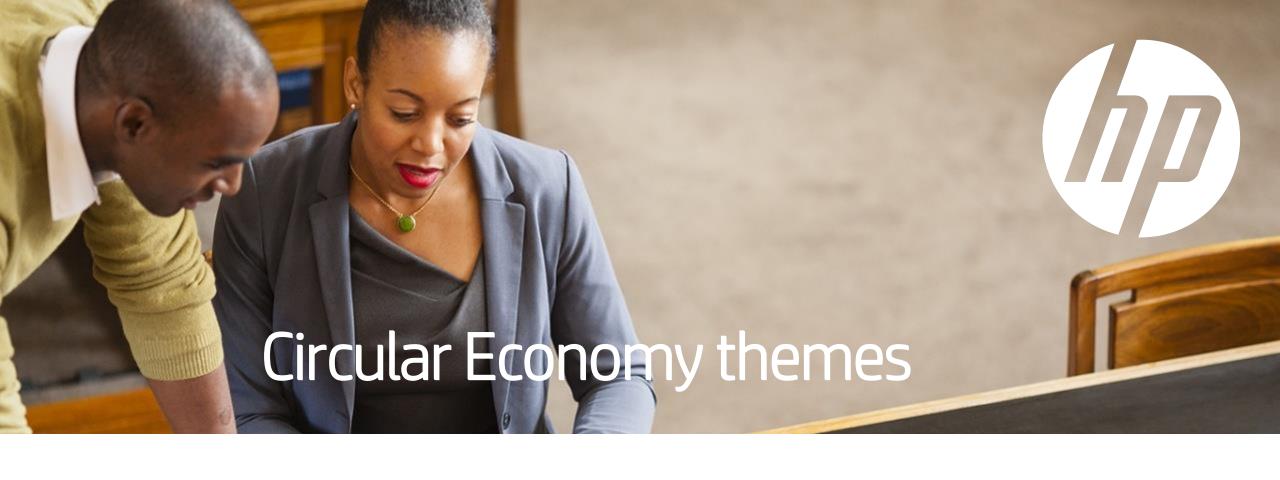
**92%** Of smelters are conflict-free or on the way to becoming conflict-free



# Circular Economy Definition

An industrial system that is restorative or regenerative by intention and design. It replaces the end-of-life concept with restoration, shifts towards the use of renewable energy, eliminates the use of toxic chemicals and aims for the elimination of waste through the superior design of materials, products, systems and business models.





Keep products & materials at their highest utility & value Prevent waste through new business models Lengthen product life through reuse, repair or manufacture Improve end of life processing & recovery

### HP Instant Ink

Business Models that change design and consumer behavior

Web-based ink replacement service ensures customers never run out of ink when they need it



Up to 67%
Less waste
Per printed page



**97%**Satisfaction rate

Over 2 million subscribers world wide



Customers save up to 50% on ink

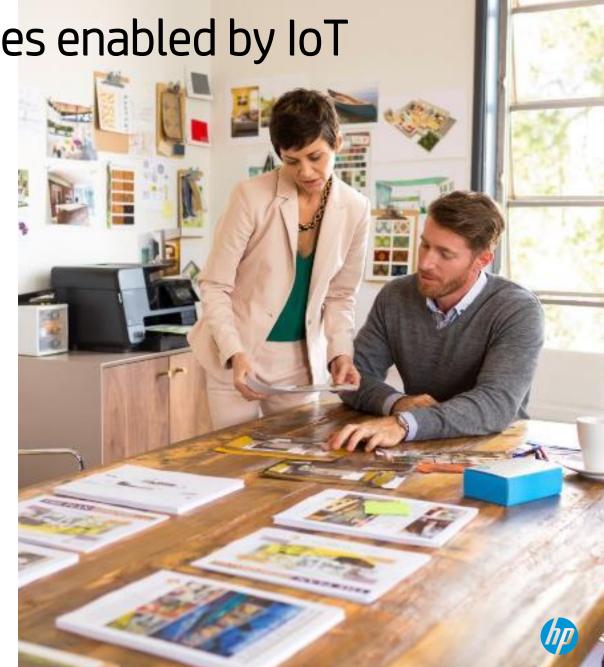


Instant Ink: subscription services enabled by IoT

Ensure users always have ink: improved recycling, massive waste reductions

Connected printers mean that:

- Customers can choose from different monthly service plans based on pages printed
- Ink replacement cartridges automatically delivered when printer is running low on ink
- Used cartridges returned to HP and fed directly into "closed loop" recycling program
- Enables customers to save up to 50% on ink
- Printers generate up to 67% less waste per printed page than conventional business models







### What are the business benefits of a circular business model?

Risk & cost reduction and increased revenues and profits through the following:

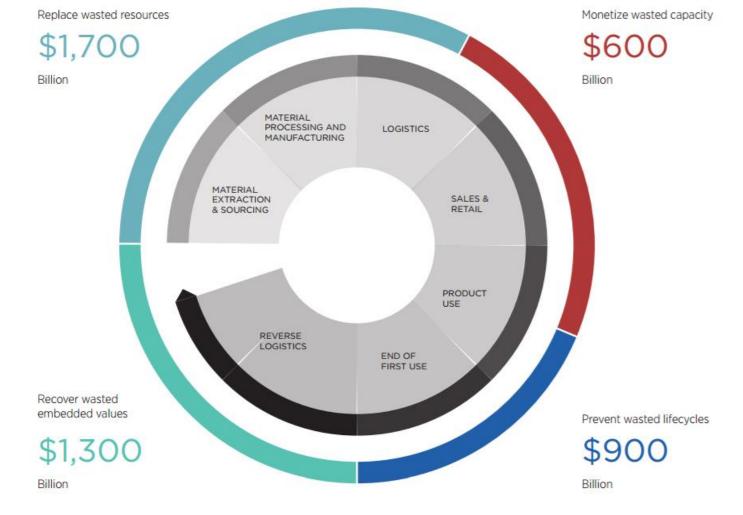
- Developing new markets and customer segments, retaining and growing existing ones
- Satisfying changing customer needs and expectations
- Saving your suppliers, business and customers money
- Increasing security of supply and maintaining access to resources
- Improving price stability and predictability of inputs
- Attracting, retaining and engaging employees <u>and new</u> <u>partners</u>
- Building company brand and reputation
- Getting ahead of government and investor requirements

"The auto industry consumes about 15% to 20% of the global steel production, in 2004 the price of steel rose 60% in one year and did not significantly decline until 2008. Without circular economics sudden exposure to price fluctuations is a permanent condition of doing businesses."

Carlos Tavares, COO, Renault

Demand for all commodities is expected to rocket by 30% to 80% by 2030<sup>1</sup>





- REPLACE WASTED RESOURCES materials and energy that cannot be continually regenerated, but are consumed and forever gone when used.
- PREVENT WASTED LIFECYCLES products with artificially short working lives or that are disposed of even if there is still demand for them from other users.

- MONETIZE WASTED CAPACITY products that sit idle unnecessarily.
- RECOVER WASTED EMBEDDED VALUES components, materials and energy that are not recovered from disposed products and put back into use.

Many believe that the circular economy, which de couples growth from resource consumption, is shaping the next industrial revolution

Accenture predicts this shift to equal \$4.5 trillion globally by 2030 across 4 types of waste in the linear economy



# What does that mean in practice?

Preventing waste through innovative business models or improved design either:

- For disassembly or
- Durability

Lengthening a product's life through enhanced re- use, repair or remanufacture Improving end of life processing and resource recovery

A circular business makes greater use of its physical assets – prolongs their life and draws more on renewable sources

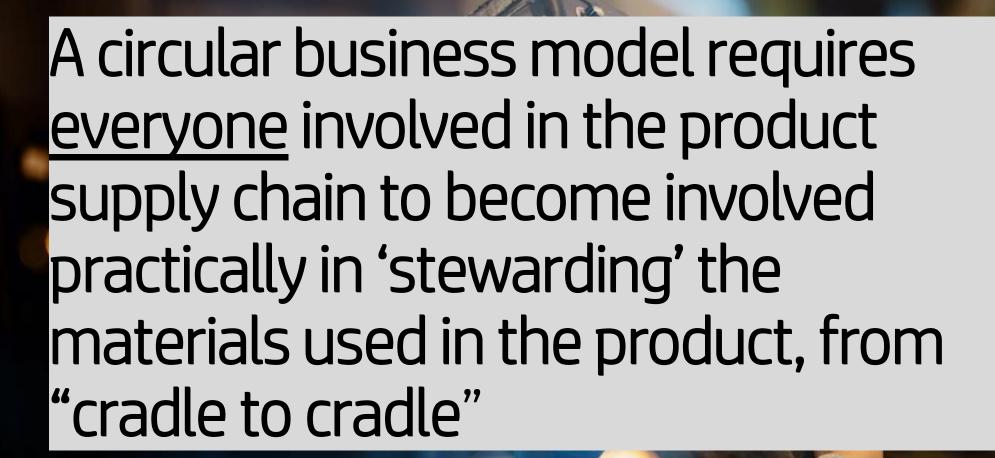


# What are some of the barriers to doing this?

Preventing waste through innovative business models or improved design either:

- For disassembly does this make the product look or perform differently, does it increase cost?
- Durability do customers look for this today?
- Lengthening a product's life through enhanced re- use, repair or remanufacture - what are some of the issues you can see here?
- Improving end of life processing and resource recovery- how do we do this as a competitive advantage?





Think of the barriers to this today......



### **HP closing the plastics loop**





"HP's use of recycled plastic in an application as technically demanding as their inkjet cartridges represents an unprecedented engineering innovation."

Larry Koester VP Communications, Environmental Division Society of Plastics Engineers



# HP in action: closed loop recycling program

Manufacturing new cartridges using returned cartridges and other plastics contributes to circular economy



In past five years, HP has helped divert on average more than 1 million bottles per day

33% smaller

Recycled plastic has up to a 33% smaller footprint than virgin plastic



Process enables
HP to reduce fossil fuel
consumption
by 54% and water
consumption by 75%

### 3 billion



More than 3 billion cartridges produced using 3.3 billion bottles and 50 million apparel hangers

### Closed-loop recycled plastic progression

### Leveraging knowledge and extending leadership

- Recycled PET (rPET)
  - Five year development
  - Implemented 2005
- Recycled polypropylene (rPP)
  - Three year development
  - Implemented 2013
- Recycled high impact polypropylene (r2P2)
  - Less than 12 months development
  - Implementation began 2014





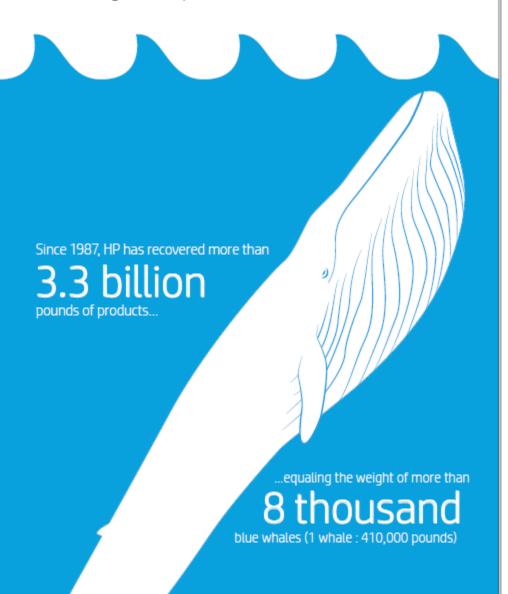






### **HP Planet Partners**

Partnering for the planet for more than 25 years



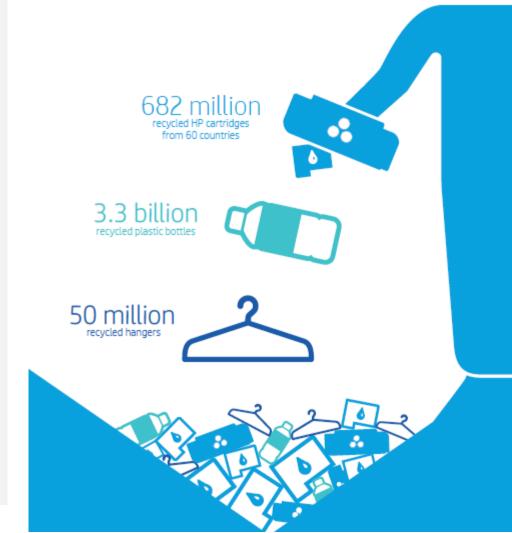
3 billion new cartridges made with recycled content

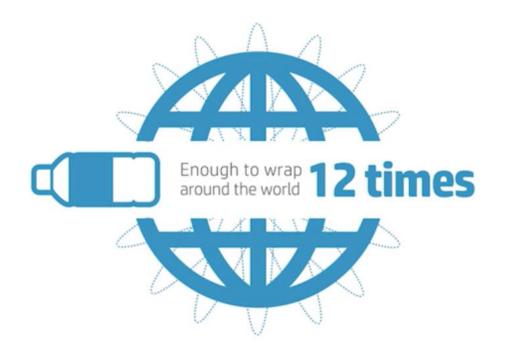
80% of Inkjet cartridges have recycled content

100% of Toner cartridges have recycled content



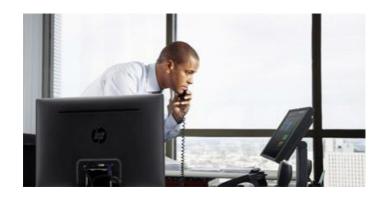
For more than 25 years, we've been making a difference, together.







### Keys to HP's "closed loop" recycling success



# Innovation in recycling and RCP solutions

With no precedent or roadmap, creativity and invention essential



# Partnering with innovative suppliers

Collaboration with partners leveraged core competencies



# Patience and persistence through development process

Management provided team time and resources for success



# break keep reinventing



### Recovery and Recycling – materials and energy

### Organic

Enterra - Black soldier fly larvae turns recycled food products into ingredients for fish and poultry feedstock





### Technical

Novelis - Increasing recycled aluminum from 30% in 2007 to 80% by 2020





### What examples do you know of the circular economy today?



### Uber, Bixi Bikes, Car 2 Go, Airbnb, tool libraries

- Rent Frock repeat: an online dress rental service, uses a mail-back service to facilitate formal dress rental across Canada.
- Mud Jeans, a Dutch denim company, are pioneering a leasing model for jeans which is also nurturing a long-term relationship with the customer. The user benefits from use of the jeans but the company retains ownership of the raw materials, getting the jeans back for reuse and recycling via mail-back using RePack a returnable and reusable packaging solution.
- PureBond® Plywood, manufactured by Columbia Forest Products, uses a chemical-free adhesive inspired by the way mussels adhere to rocks. This innovative alternative replaces urea formaldehyde resin a chemical that is typically used to treat wood but that also limits post-use composting and recovery. By using chemical-free wood today, a wood waste problem is being avoided in the future.
- Kingfisher brought together its production, manufacturing, retail and logistics expertise into one team with a chemistry research centre, waste recycler and composite wood manufacturer to create a new engineering process called "ReMade". This helped them develop a composite material out of waste wood from their stores and end-of-life products for new kitchen and bathroom counters. This product is 30% lighter than similar products and is easier to handle and install, reducing breakages. The worktop's wood composite structure is more water resistant than traditional particle boards which are often damaged by steam and surface water. By replacing the use of virgin source material and harmful chemicals, the new engineering also reduces the product's carbon footprint and preserves natural resources.



### What do we need to change to move to a circular economy

- More renewable generation
- Price signals & regulations that change incentives
- Buyers that look for value differently
- Services that meet customer needs and circular motions
- Education?
- New Legislation in Ontario came into effect in 2016: Waste Free Ontario Act.

### Additionally within 90 days:

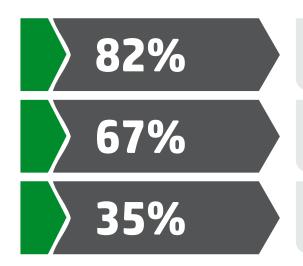
- Ministry of the Environment and Climate Change (MOECC) is required to publish Waste-Free Ontario:
   Building a Circular Economy for further consultation prior to finalizing it. The proposed strategy will
   address comments received on the draft version posted November 2015. The strategy, once finalized,
   will serve as a roadmap to shift Ontario toward a circular economy.
- The MOECC will post to the Environmental Registry a draft Transitional Operating Agreement between the Minister and the Authority, and invite comments from stakeholders.



#### Did you know that ...

Customers make purchasing decisions with the environment in mind?

#### **%** Business customers say:



Sustainability is important in corporate decision making

Environmental performance is important when making a purchase decision

Sustainability/energy efficiency is often a tie-breaker for product selection

Source: Shelton Group US B2B Pulse, 2015



## Is procurement a quick fix for the adoption of circular business models





Reinventing how we make, use, and regenerate amazing technology...

...helping businesses, communities, and individuals thrive.

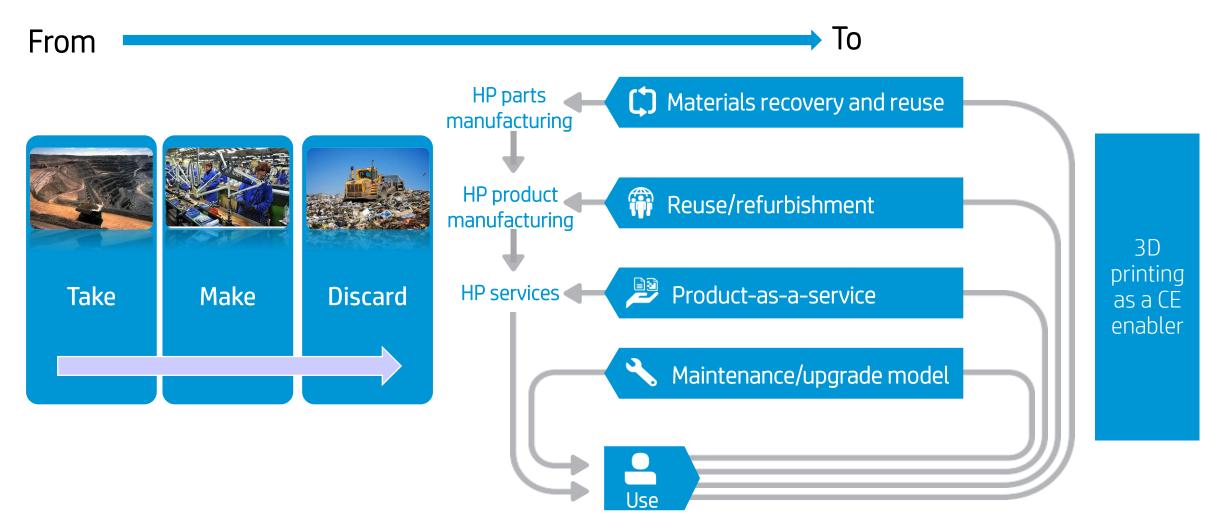




# "the real reason HP exists is to make a difference"

keep reinventing

#### Creating Circular Economies: sustainability in action









## So what does this look like today?













#### HP's Product Take Back and Recycling Program: Planet Partners



## 39 million units

and accessories refurbished for reuse since 2003

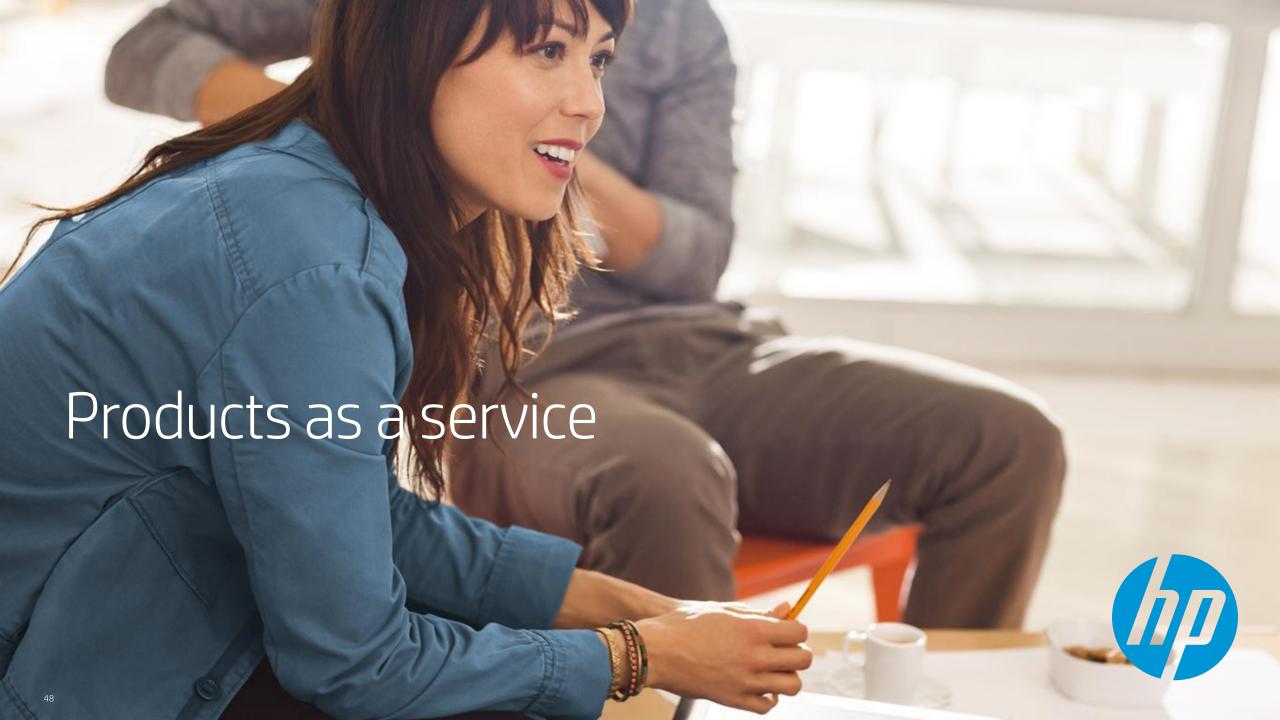
(41,000 tonnes in 2015)

## 1.7 million tons

of electronic products and supplies recovered since 1987

(114,000 tonnes in 2015)

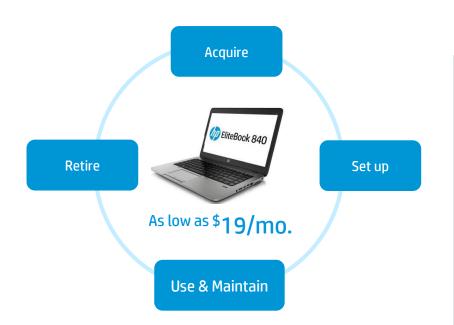




#### **HP Managed Print Services**

- Creates and deploys enterprise-wide print and workflow strategies
- Up to 40% energy savings
- Save up to 30% in printing costs
- Reduce paper waste by millions of pages
- HP has ~1 million printers currently in MPS
- At end of lease: 74% are refurbished/resold, 26% recycled





#### Device as a Service for SMBs

**Launched in June 2014 for micro/small businesses** 

#### **Product simplicity:**

- Subscription is simpler than subscribing to components separately **Product affordability:**
- Subscription is cheaper or equal than buying the PC upfront
   Up-to-date technology:
- Includes the latest products from HP (hardware, software and service)

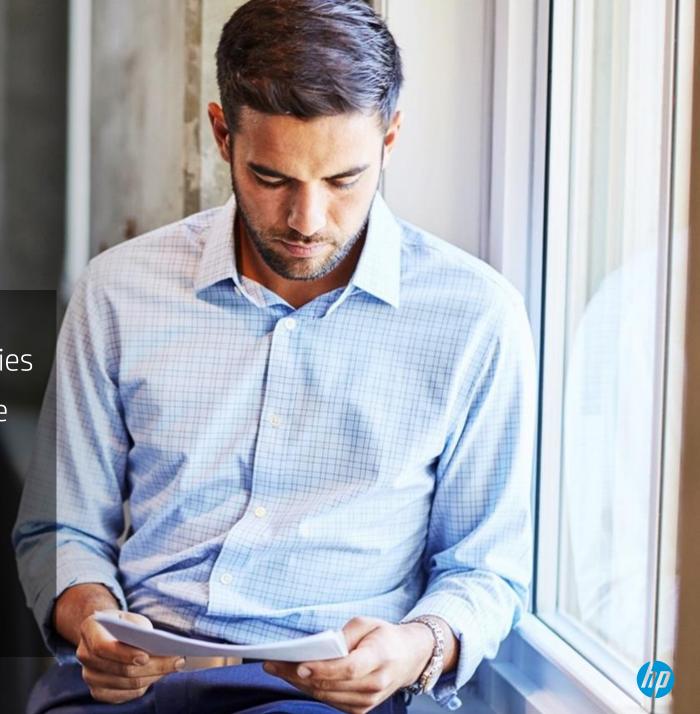
## HP Managed Print Services

Helps organizations create and deploy print and workflow strategies

Typical reductions in energy usage up to 40%

Saves up to 30% in imaging and printing costs

Reduces paper waste of 25% or more







#### Design for repairability: don't take our word for it......



HP Elite x2 1012 G1 Repairability Score:

#### 10 out of 10 (10 is the easiest to repair):

- ✓ Except for a minor amount of tape over the sensor array, there is no adhesive.
- ✓ All screws are standard T6 Torx or Phillips #0.
- ✓ Easy access to <u>repair documentation</u> and <u>replacement parts</u> by HP makes self-repair more feasible.
- ✓ A modular and flat overall construction allows access to most components without a lengthy disassembly process.



120304.www2.np.com/npsc/swa/public/reauthdex:sp4is.old-14323xswLangOld-6xswLinvOld-4003

#### **HP LaserJet 1100 Printer**



Warranty status: **Unspecified (?)** Check warranty status

Change product 🗸

#### **HP Products last (almost) forever!**

#### **Drivers & software**

Help

#### Knowledge base options

Search HP Support Center

Top issues

Most viewed solutions

Advisories, bulletins & notices

Manuals

Troubleshoot a problem

Setup & install

Learn & use

Perform maintenance

Upgrade & migrate

#### **Related links**

Windows 10 support Windows 8/8.1 support ! Not the product you are looking for? If you cannot find your product on this site, go to HP Support Center - Hewlett Packard Enterprise ∠.

#### Select driver language and OS

Driver language

English	~
---------	---

Operating systems in English

Microsoft Windows 7 (64-bit)	
------------------------------	--

How can I tell if my Windows operating system is 32-bit or 64-bit?

#### Subscribe to driver and support alerts

Sign up now for customized driver, security, patch, and support email alerts.

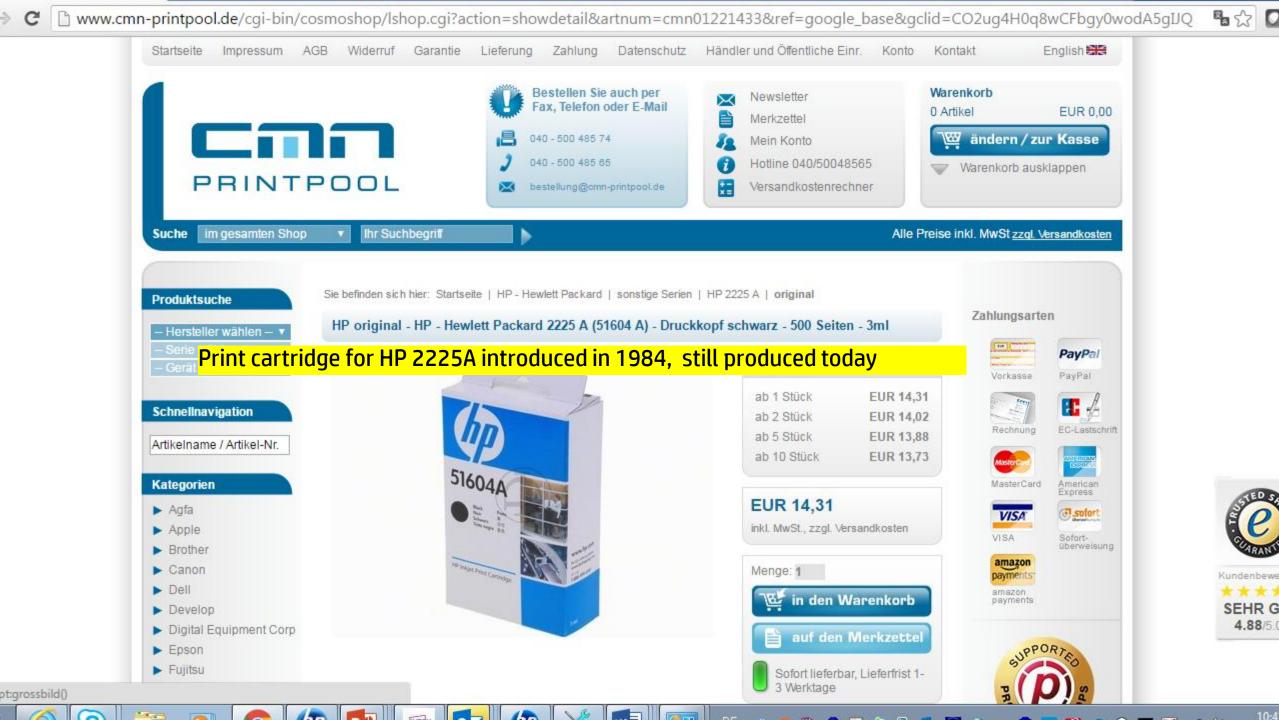
#### Microsoft Windows 7 (64-bit) Downloads

These downloads are available for customers according to the terms in the HP Software License Agreement. Certain software may require a valid warranty, current support contract with HP, or a license fee.

By downloading, you agree to the terms and conditions of the HP Software License Agreement.

+	-
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#### Most-Wanted Parts for HP LaserJets

Search

HP LaserJet 1100 Series

previous page ||| next page ||| go back to Main Selection Page

Parts which are not available at HP can be purchased on the market



Go to LaserJet 1100 Parts Catalog

Go to LaserJet 1100 Data Sheet

Click part numbers in table below to check price & availability or order, click images for photo pages, diagram links for diagrams

Printer Name	Model Number	PPM (max)	DPI	Monthly Duty Cycle	Duplex	Envelope Feeder	Hard Disk	Engine
HP LaserJet 1100/ 1100xi/	C4224A / C4225A /	8	600	7,000	No	No	No	1100





Website mit diesem Bild

HP LaserJet 1100 Series Printers printerworks.com

Originalgröße 338 × 360

Weitere Größen

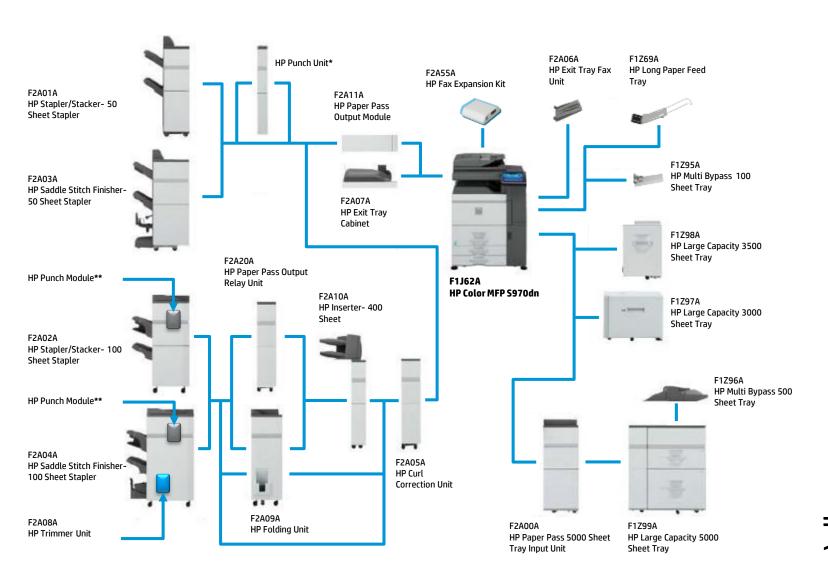
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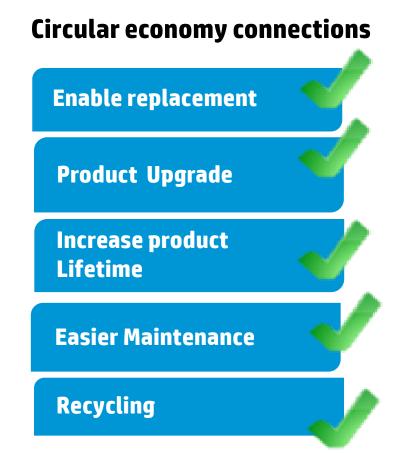
Ähnliche Bilder

Typ: JPG

Die Bilder sind eventuell urheberrechtlich geschützt.

### Modular Design = Upgradability





= improved materials intensity 18% better 2014-2015

#### Digital Print Manufacturing

HP Inkjet High Speed Printing Systems

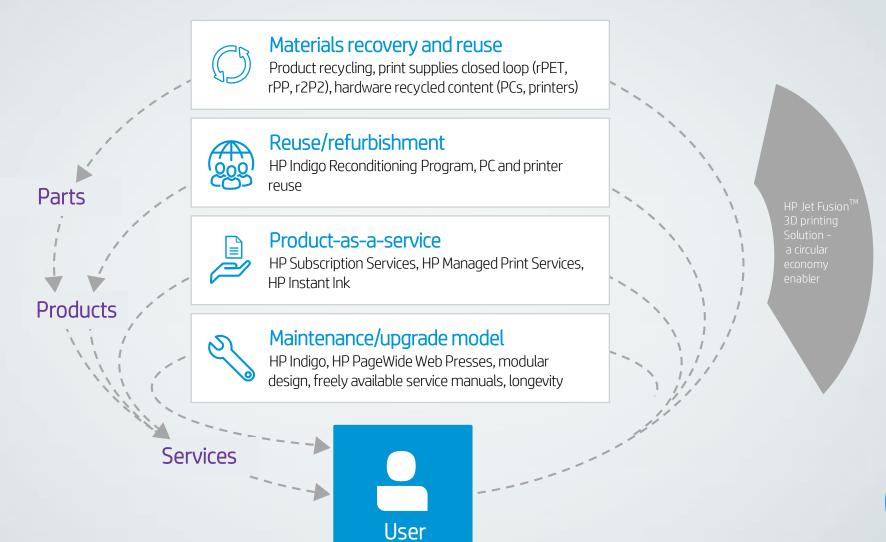


No *known* end-of-life: totally field upgradeable





#### HP's circular economy





## So what does this look like tomorrow?





### Disruptive Technology – 3D Printing





## 3D printing

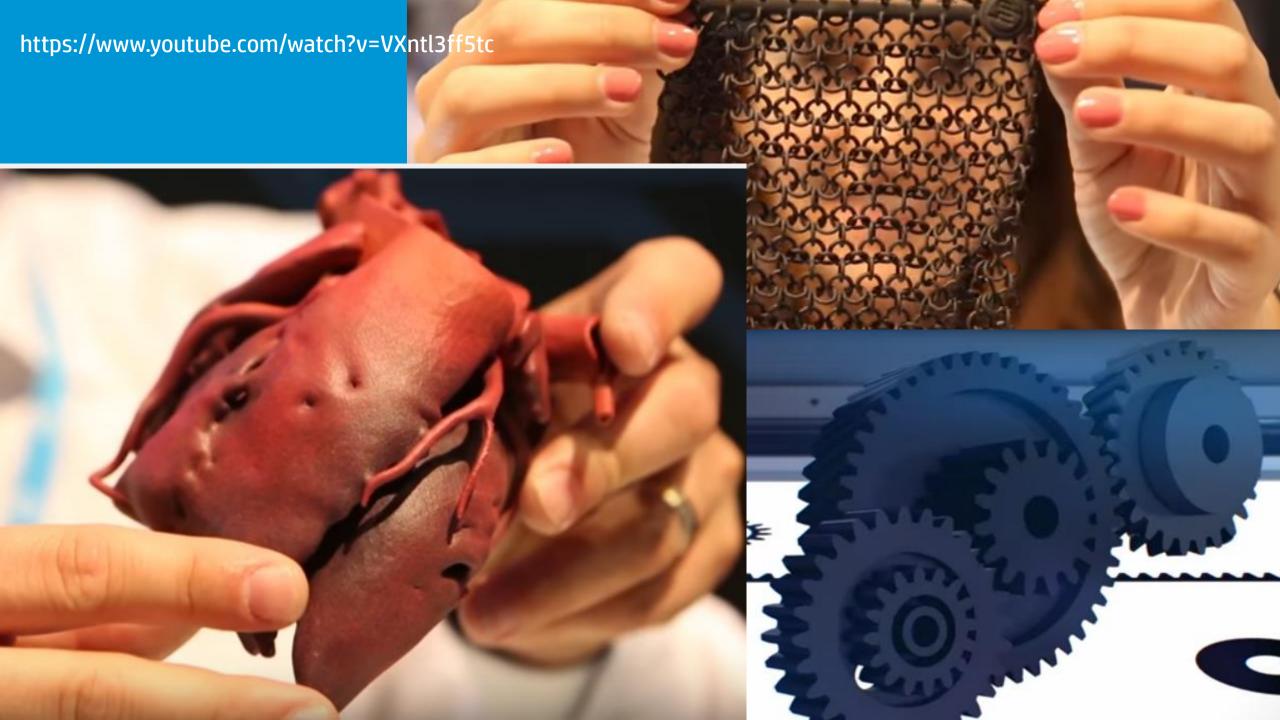


Will change humanity's footprint by reducing carbon emissions

Can help eliminate waste and extend product lifecycles

Can democratize how the world designs and delivers goods and services, spurring local economic development

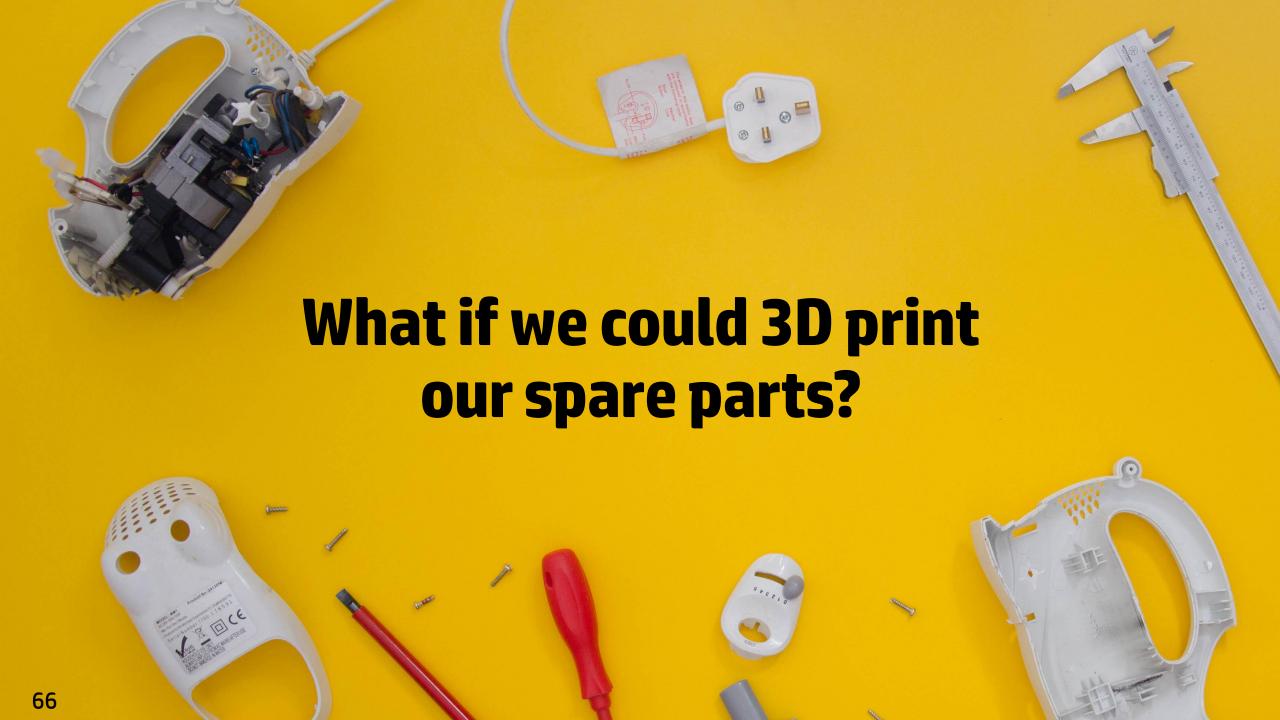
Will enable design of solutions for specific social and human ills





## Rethinking supply chains





#### 3D Printing will reinvent manufacturing



#### 3D Printing will reinvent supply chains

Case study: Automotive industry



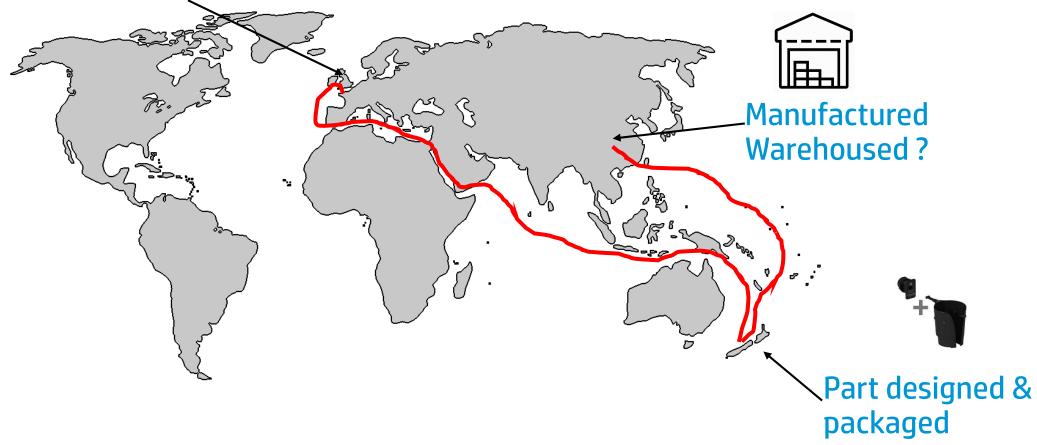




#### **How it works today**



Kirstie's car





## 3D Printing can save energy, eliminate waste, and reduce carbon footprints





#### The challenge of repair

Today's repair industry is frustrating for both manufacturers and consumers:

- To enable repair, manufacturers need to hold stock of a wide range of parts. This is expensive and resource intensive. As a result they can only support a limited range of products.
- For consumers, spare parts are expensive, slow to get hold of or not available at all.
- This results in many products being thrown away when they simply needed a replacement part.

"23% of waste electrical equipment collected at recycling centres could be re-used with a small amount of repair"

Wrap 2011



#### Rethinking repair - keep products out of the trash and in use longer

3D allows manufacturing on demand of an infinite inventory of spares, electronically

"We are no longer able to supply spare parts, or eSpares.com carries over 9600 different oven knobs! carry out service or repairs for several models."

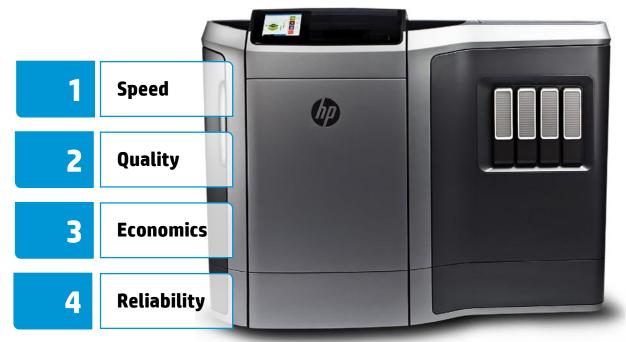


### 3D printing and HP MultiJet Fusion™ Technology

Breakthrough innovation will transform supply chains and industries

- Additive manufacturing enables unique structural designs with no manufacturing waste
- Enable new part/service supply chains for other industries
- Exact supply and demand matching delivers ability to economically produce small quantities
- Analogy to digital print manufacturing with customized product options that reduce waste







## Resources

#### Toolkit:

http://www.nzwc.ca/focus/circulareconomy/toolkit/Pages/default.aspx

Case studies: <a href="http://www.nzwc.ca/focus/circular-economy/case-studies/Pages/default.aspx">http://www.nzwc.ca/focus/circular-economy/case-studies/Pages/default.aspx</a>

What is the circular economy?
Why are we seeing a shift?
How do we embrace it in our organization?

#### National Zero Waste Council Circular Economy Business Tool Kit



# Sustainable IT Purchasing Guide

Free resource helps customers make socially and environmentally sound purchasing decisions

Provides the latest energy efficiency requirements from around the globe

Features data on resource and packaging minimization

http://h20195.www2.hp.com/V2/Get PDF.aspx/c03844101.pdf





#### **HP's Journey to become**

### Canada's most environmentally responsible IT company





Only PC company listed on the **Canada's Greenest Employers** List in 2016.



HP Planet Partners, our return & recycling program turns 25 years old in 2016



Numerous awards at the Environmental **Print Awards** 

Only IT company globally to disclose our full carbon footprint with reduction goals in all areas of the value chain. Published in 2014.

Clean 16

Only IT company to win 2 Clean 16 awards for leadership and 3 Top **Projects** awards for contributions to clean capitalism.

CE100

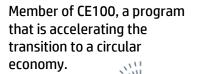


Won an award for how we manage our corporate grounds: The **Greening Corporate Grounds** program with Credit Valley Conservation celebrates ecological landscaping and education.

HP's Global Operations pledged to use 100% renewable electricity. Joined RE100, a global collaboration of companies leading this effort. **RE** 100









We have the most comprehensive environmental education program in Canada's IT industry- spanning from Kindergarten to companies that aren't even our customers.





HP named to **Dow Jones Sustainability** World Index and North America Index in 2015.



For a multi-year view of the highlights of our achievements see the **Environmental Citizenship Milestones Document** on hp.ca/environment











HP ships 100% of our products in North America using SmartWay-approved road transportation carriers. (U.S. EPA. SmartWay trucks consume about 18% less fuel than conventional class 8 freight trucks).



1 **St** to publish a complete carbon and water footprint

1 St to publish supply chain responsibility code of conduct and industry-leading standards

Voted most trusted technology company by CONSUMERS (Ponemon Institute, 2015)

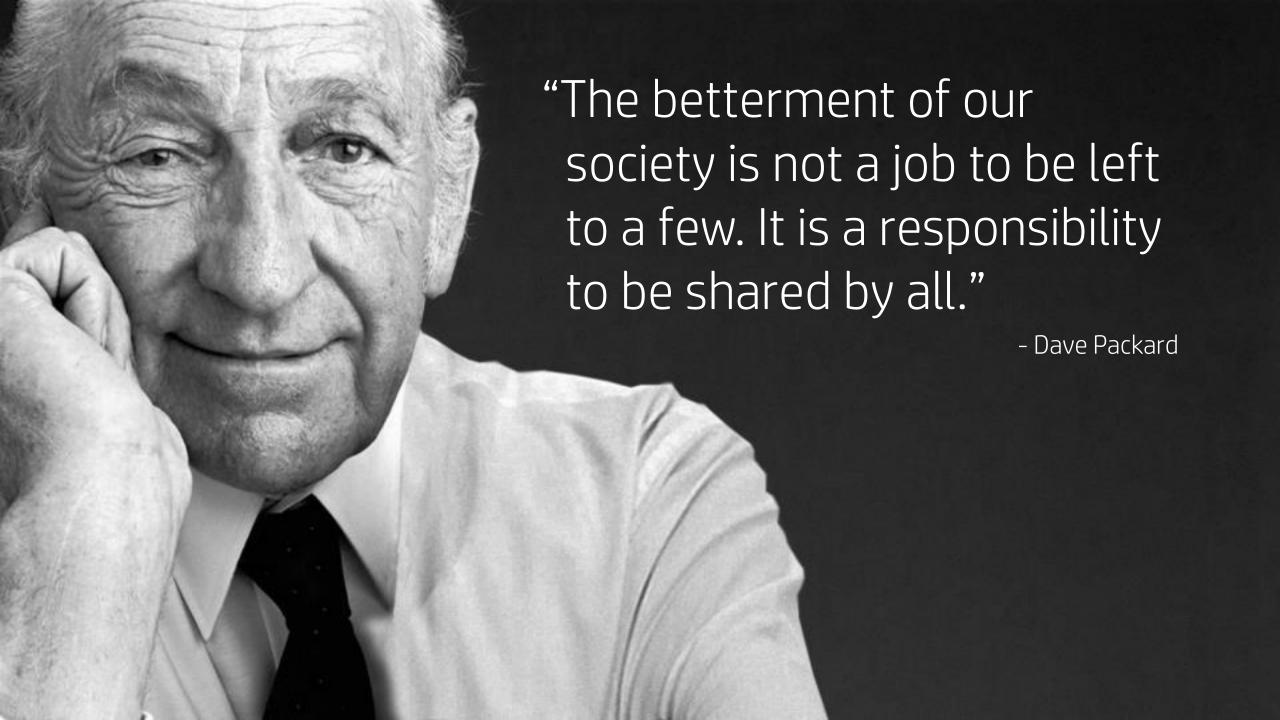


Named to DJSI World Index, FSTE4Good, and CDP Climate A lists

Commits to achieving100% renewable electricity usage in global operations

Recycles 1 million bottles per day for new HP inkjet cartridges

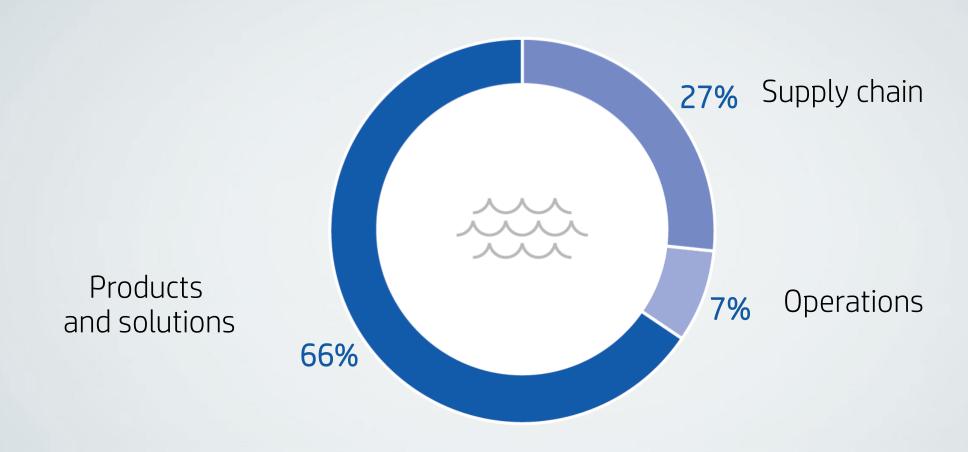




# Backup slides (optional)



## Hewlett-Packard Company's global water footprint in FY15







Developing material and energy-efficient products

Reducing cost, waste, and environmental impact

Providing closed loop recycling



## Recognized as one of the world's most sustainable companies



Named to "Climate A List" in CDP 2015 Global Climate Change Report and S&P 500 Climate Disclosure Leadership Index, and to 2016 Supplier A List



Received three 2014 awards, including one for overall environmental sustainability



Recognized as a top U.S. company for contributions to communities in 2013 and 2014



Listed on both World Index (2012-2015) and North America Index (2011-2015)



Received Excellence Award for fourth time



Received 100% on Corporate Equality Index for 2003-2015



Included on the FTSE4Good Index since 2003



Awarded 2014 Corporate Citizenship Award



Named one of Canada's Greenest Employers for ninth year in a row



Won 2014 award for Innovation in Collaboration



Named one of Brazil's most sustainable companies in 2013 and 2014

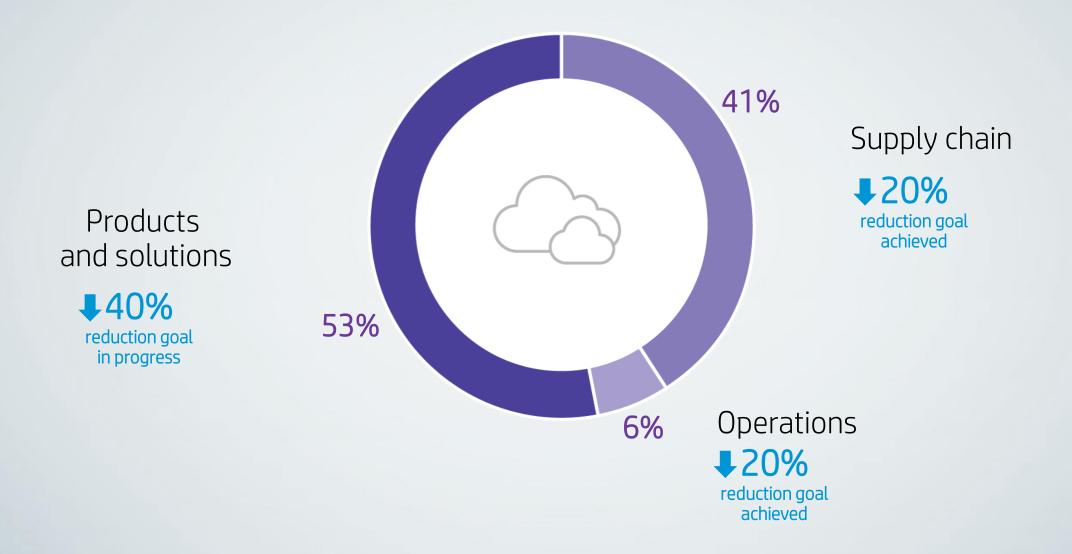


Honored with Tribute Award for volunteering and service to communities





## Hewlett-Packard Company's global emissions impact in FY15

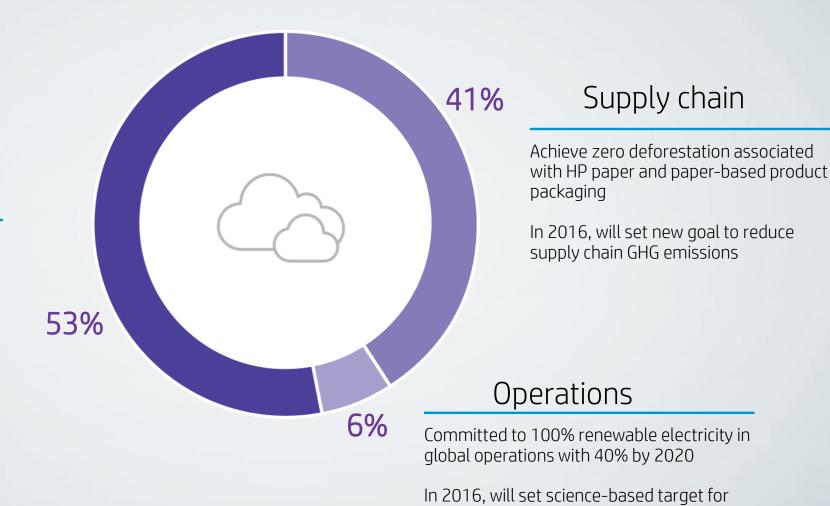




## HP Inc.'s goals set in FY16

# Products and solutions

Reduce the GHG emissions intensity of our product portfolio by 25% by 2020, compared to 2010



Scope 1 and Scope 2 emissions from

operations





Packaging innovation

Efforts advance customers' sustainability objectives and reduce HP's environmental footprint

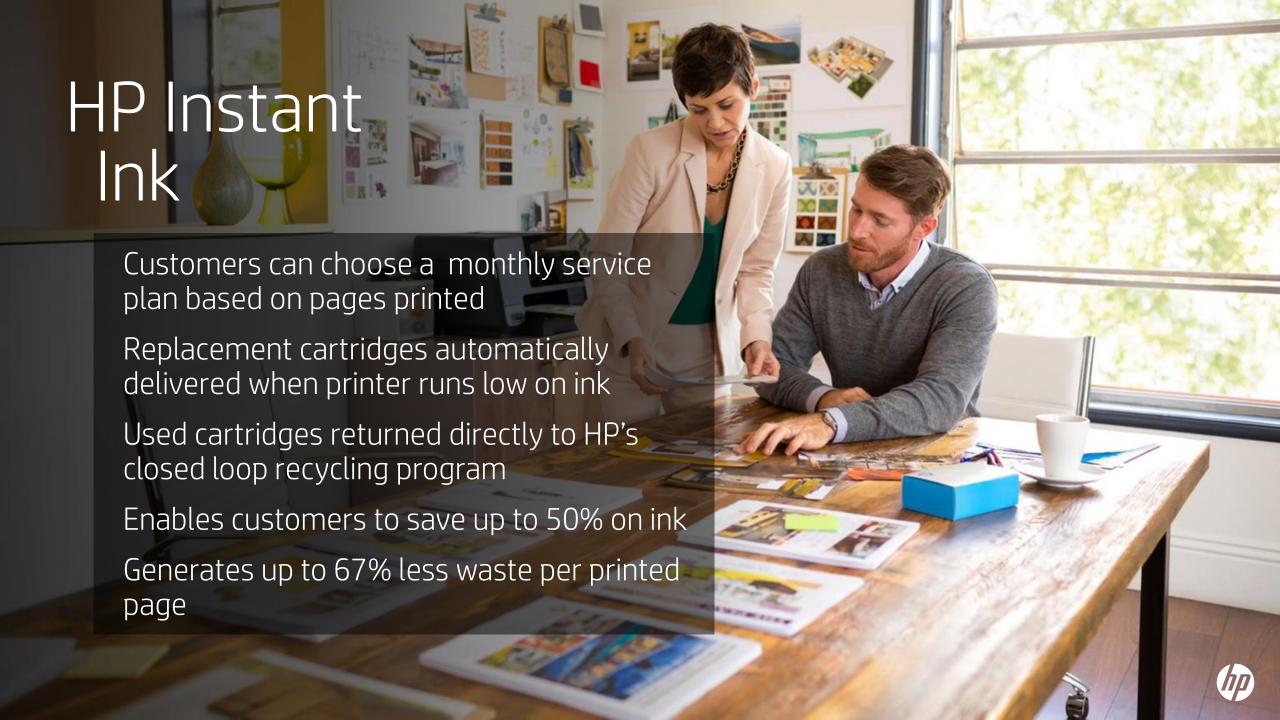
Supports circular economy via use of recycled and recyclable materials

In 2015, reduced packaging material by 5,700 tonnes, compared to previous-generation products

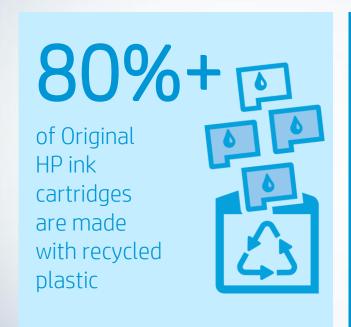
Set goal to achieve zero deforestation associated with HP brand paper and paper-based product packaging by 2020







## HP in action: expanding our circle



Up to 67%

Less waste per printed page using ink-subscription based model such as HP Instant Ink

Carbon footprint
of printing
reduced 52% with
business printers
using HP
PageWide
Technology





Up to 31% less energy used by the HP EliteDesk 800G2 Desktop Mini PC

