

Enabling Circular Economy through Leasing of IT and Other Equipment  
Circular IT Solutions – CITS

# CHG-MERIDIAN EFFICIENT TECHNOLOGY MANAGEMENT®

Versavel Virginie  
Solutions Development Manager Belux



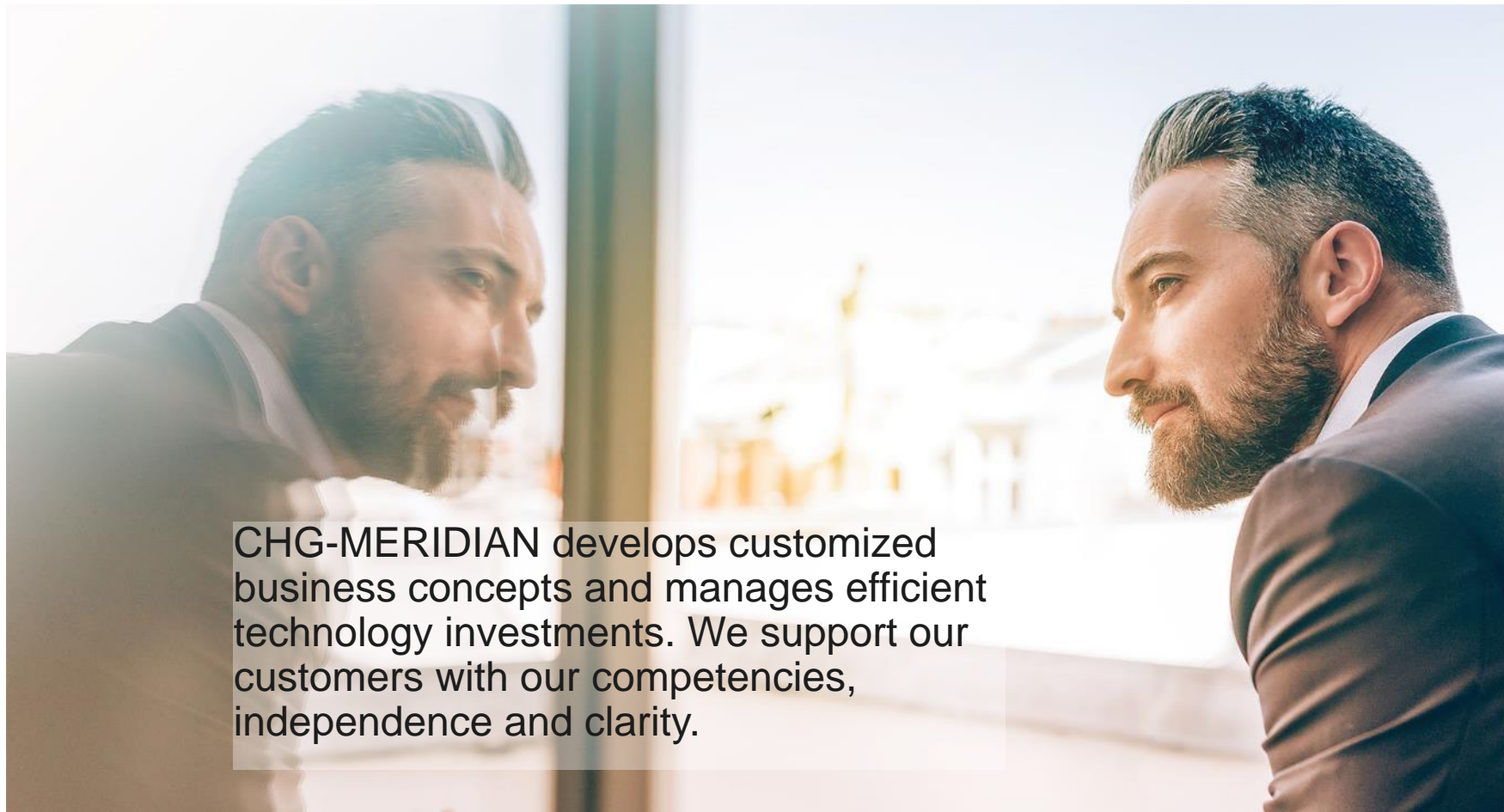
Belgium – 24 APRIL 2018  
Efficient Technology Management®

## AGENDA

1. CHG-MERIDIAN at a glance
2. Circular IT Solutions “CITS”
3. VITO Research Analysis and Report
4. Enlarge the Circular Offer
5. Corporate Social Responsibility



## OUR MISSION STATEMENT



CHG-MERIDIAN develops customized business concepts and manages efficient technology investments. We support our customers with our competencies, independence and clarity.

# OUR TECHNOLOGY AREAS



**INFORMATION  
TECHNOLOGIES**



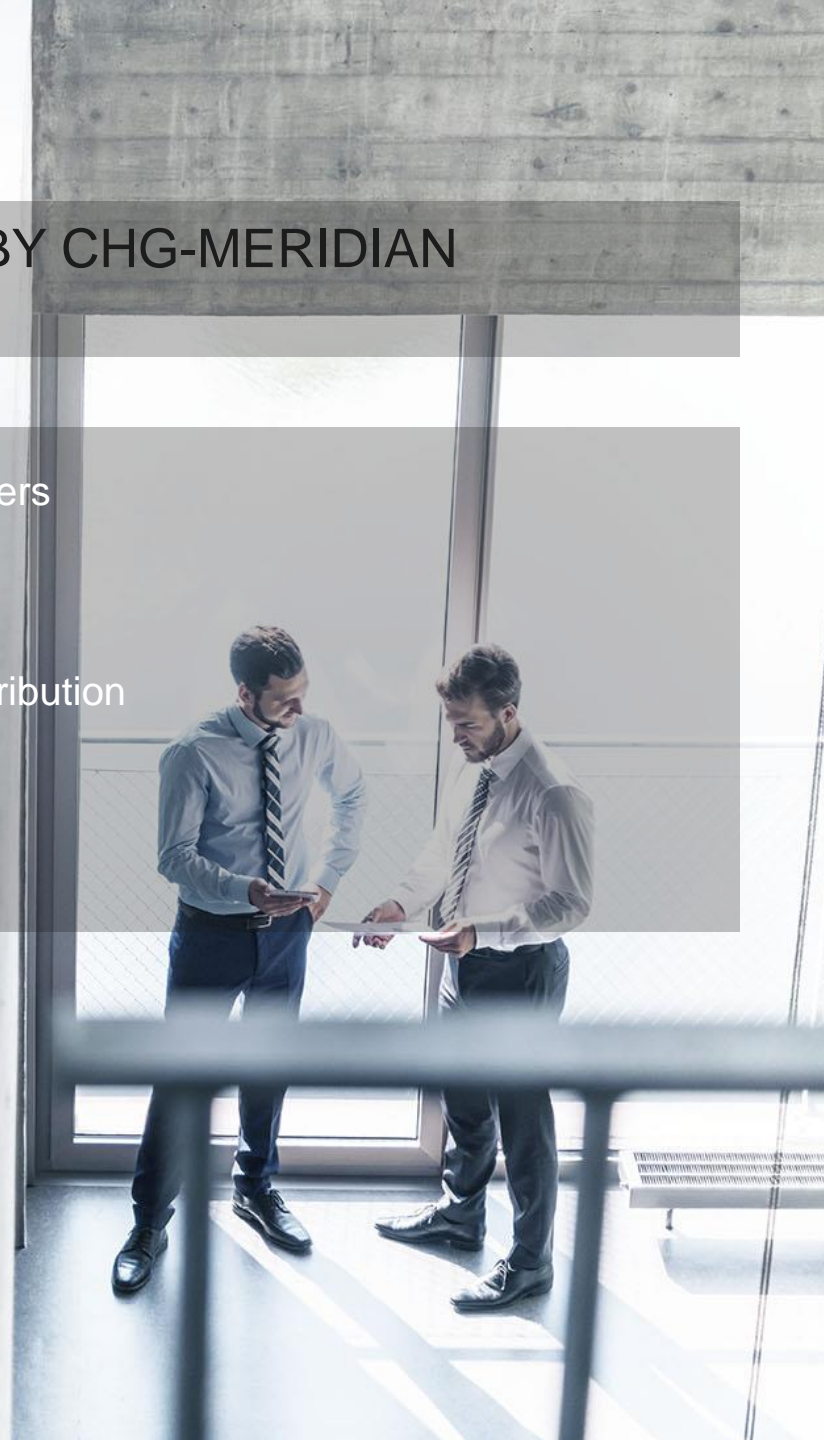
**INDUSTRIAL  
TECHNOLOGIES**



**HEALTHCARE  
TECHNOLOGIES**

## WHY CIRCULAR IT SOLUTIONS “CITS” BY CHG-MERIDIAN

- Corporate and Social Responsibility  
Of CHG-MERIDIAN + of our customers + of our partners
- Global Sustainability Goals  
Increased awareness: Everybody has a role and contribution
- Circular Economy + Circular Procurement  
On the European Urban Agenda



## WHY CIRCULAR IT SOLUTIONS “CITS” BY CHG-MERIDIAN

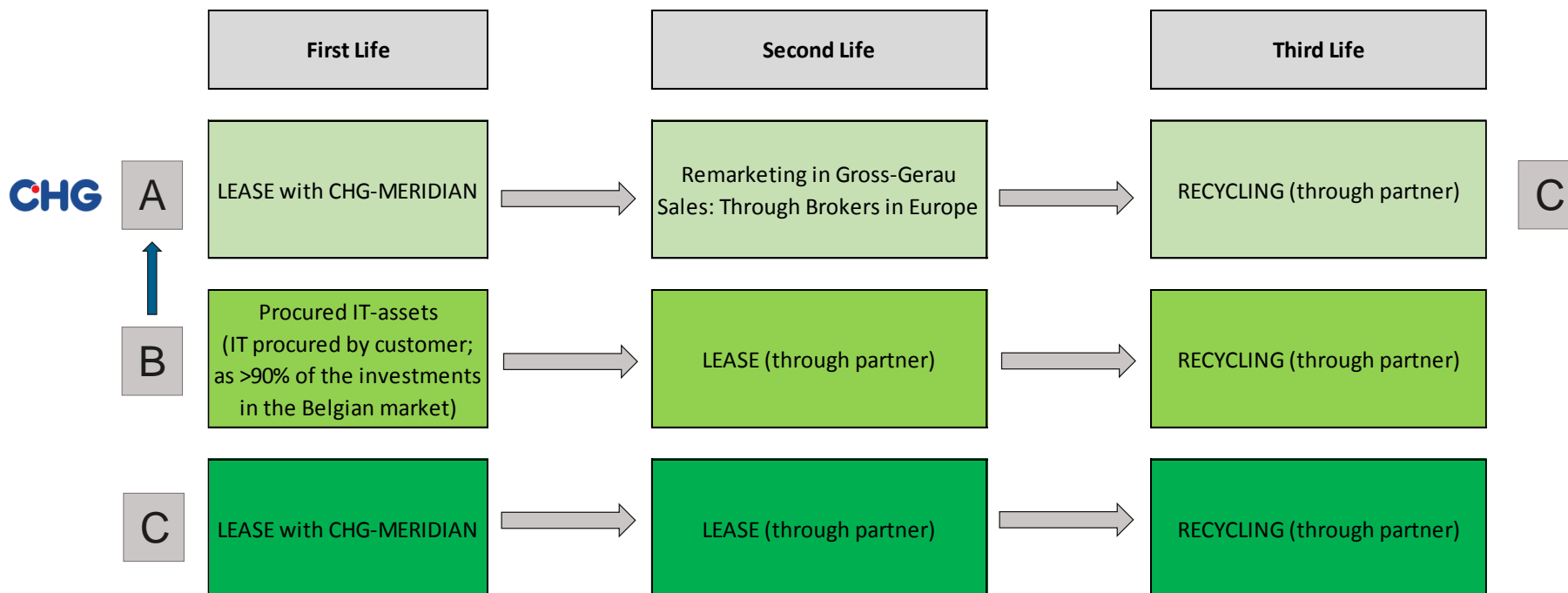
- Operational Lease is by definition Circular
- Partnerships with expert providers available  
Joint forces to offer a global circular solution
- Product Life Cycle Management  
Suppliers need (partners) to provide traceability
- Funding is available by EU  
Companies are supported to take the first steps

## WHAT IS THE INTENTION OF “CITS” BY CHG-MERIDIAN

- Offer a Solution
- Boost and support innovation (whilst being circular)
- Make IT affordable (in different customers, channels, departments)
- Extend the IT Product Life Cycle (through different Lives)
- Reactivate old IT assets + raw materials (formerly procured)
- Avoid mining of raw materials (through recycling)
- Limit the carbon footprint (transport, mining)
- Facilitate local employment (in different sectors)
- Partner with experts to offer a global circular IT solution
- Fully traceable Product Life Cycle Management through different the lives (per asset)
- Gain insights and expertise to extend the model to other equipment (eg. Healthcare)



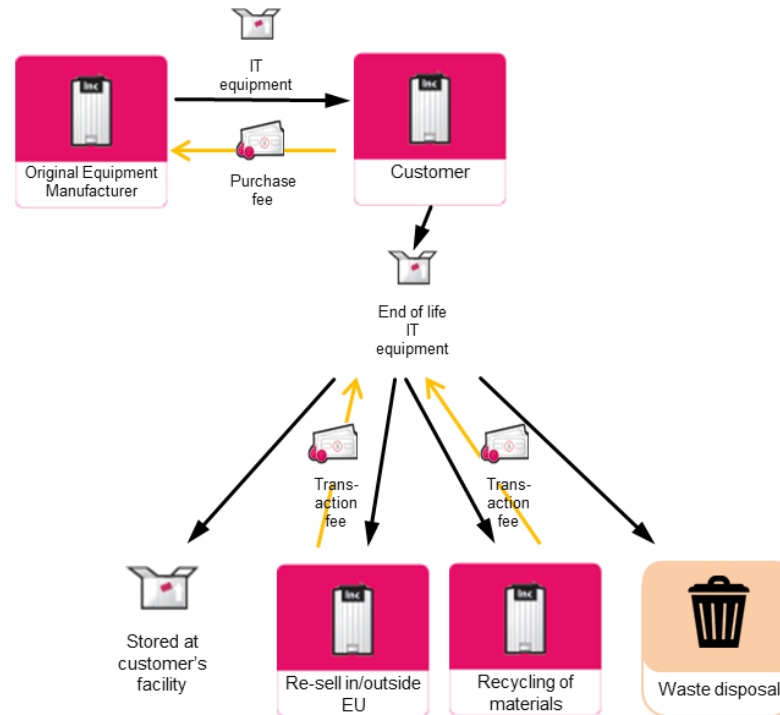
# VITO RESEARCH CENTRE – ANALYSIS AND REPORT (11 JAN 2018)



- A: Current business model: LEASE with CHG-MERIDIAN
- B: Shift to A ➡ Objective: Budget obtained from selling formerly procured assets => Inject to start LEASE with CHG-MERIDIAN
- C: Convert existing customers from First Life LEASE with CHG => to Second Life LEASE = Full Circular Economy
- Selected partners for Second Life LEASE + Third Life: Are present in BE, NL, LUX, FR, DE, UK
- Second Life LEASE + Third Life is local, in the same countries providing the First Life IT = Low carbon footprint + traceable Life Cycle
- Option: Second Life LEASE could be done by CHG-MERIDIAN locally, when CHG-MERIDIAN is already owner in the First Life LEASE

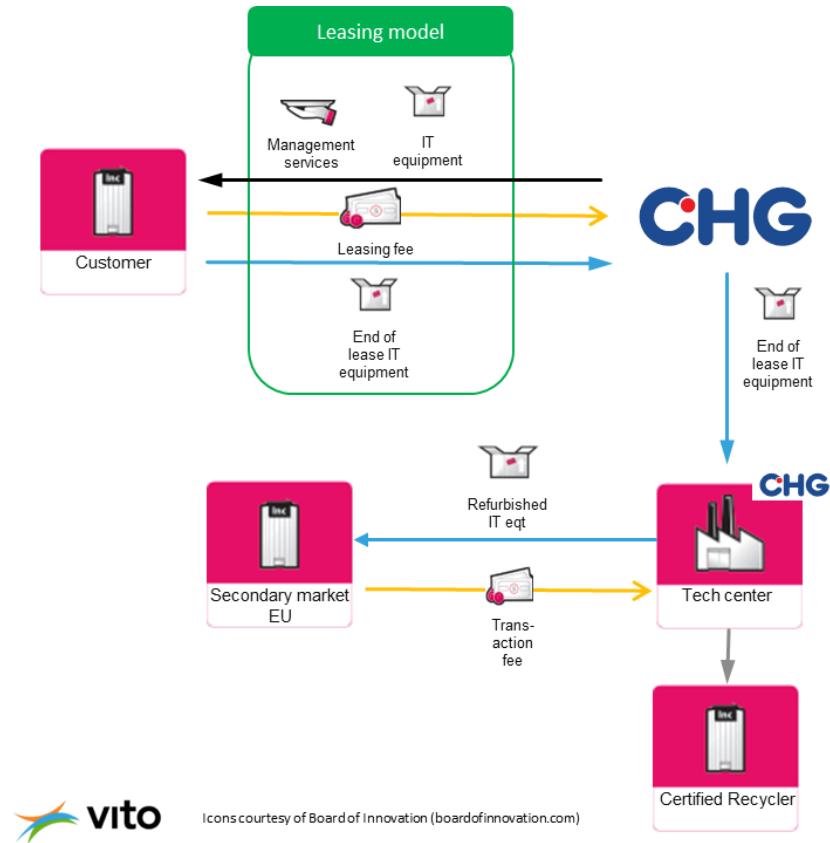


# COMMON MARKET ALTERNATIVE MODEL FOR PURCHASED IT EQUIPMENT



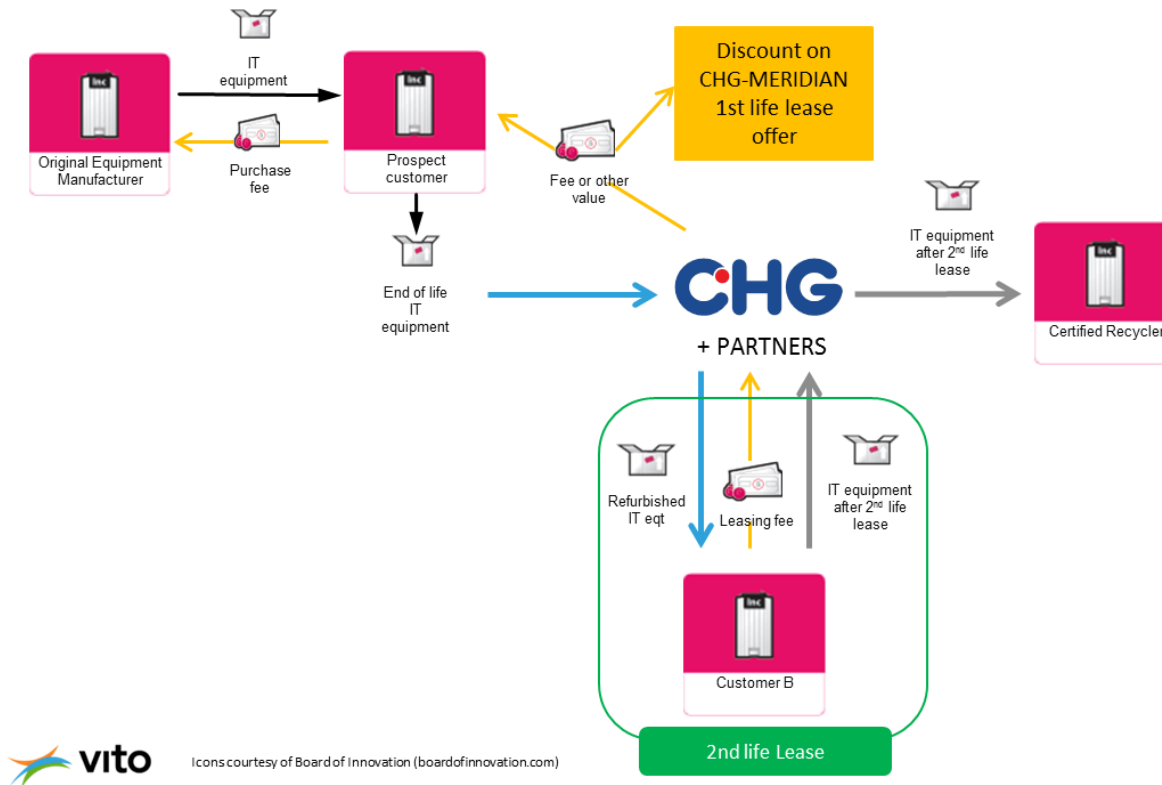
Icons courtesy of Board of Innovation (boardofinnovation.com)

# CHG-MERIDIAN CURRENT IT LEASING MODEL



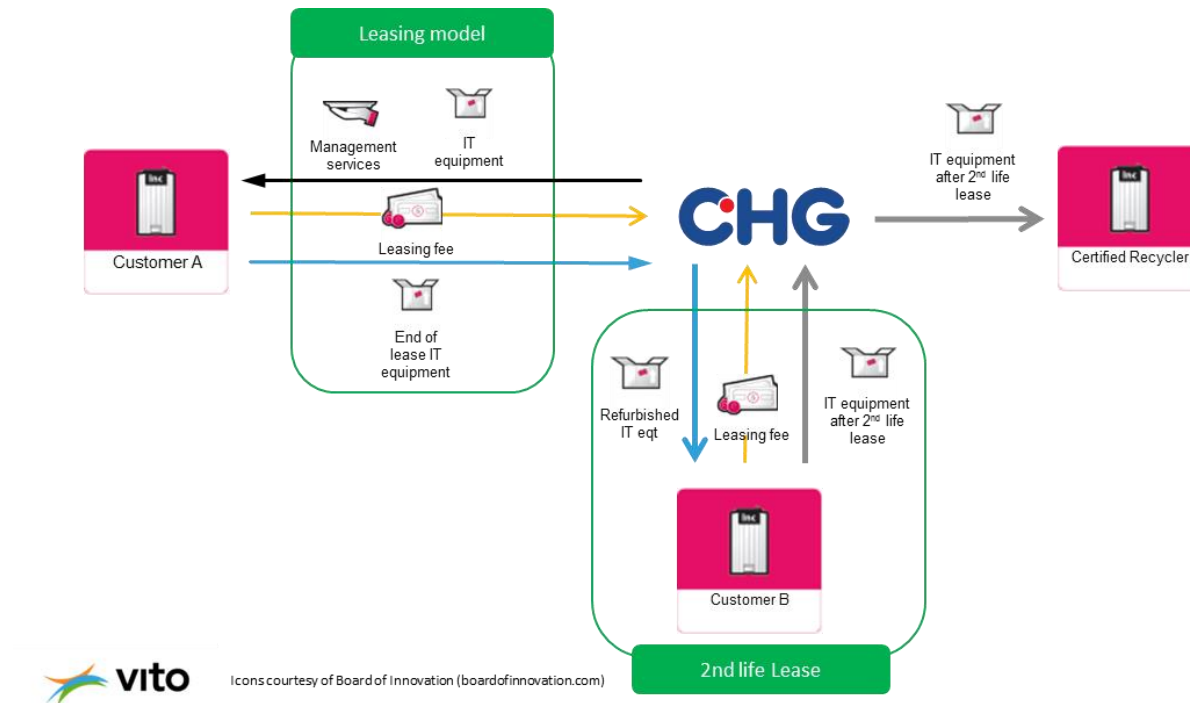
Icons courtesy of Board of Innovation (boardofinnovation.com)

# PROPOSED STEP-UP MODEL FOR PROSPECT LEASING CUSTOMERS



Icons courtesy of Board of Innovation (boardofinnovation.com)

# PROPOSED FULL SCALE 1<sup>ST</sup> AND 2<sup>ND</sup> LIFE LEASING MODEL



# CIRCULAR VALUE CREATION – PROPOSITION – NETWORK STRATEGIES

- Material Recycling
- Remanufacture
- Reuse
- Repair/Maintenance
- Product use optimisation
- Resource efficiency
- Substitution

- Product Service System – product oriented
- Product Service System – use oriented
- Product Service System – result oriented
- Asset sharing
- On demand
- Branding (eco/premium)
- Cost reduction

- Take back management
- Platform (online, other)
- Value chain collaboration
- Value network collaboration
- Localisation
- Industrial Symbiosis

# CIRCULAR STRATEGIES IN THE CHG-MERIDIAN BUSINESS MODELS



**Repair/maintenance:** the leasing contracts include maintenance of the IT equipment, both in first-life and second-life.



**Product-service system (leasing):** the first- and second-life lease models make use of a leasing offer for customers, enabling reuse by lowering entry barriers for the customer, and enabling recycling because the assets do not get “lost” in storage after the time of use by the customer.



**Product reuse:** the first- and second-life lease models focus on extending the useful life (in the EU) of end-of-first-life IT assets of business customers.



**Cost reduction:** the concept provides a cost reduction for the owner of the unused assets (avoided waste management costs and/or a compensation fee), for the second-life user (no upfront capital expenses), as well as for the first-life user (lower operating costs during use phase due to optimized asset management compared to purchasing).



**Material recycling:** after the second-life lease period (or in case a second life is not feasible for technical or market reasons), the products are sent for recycling with a certified recycling partner.



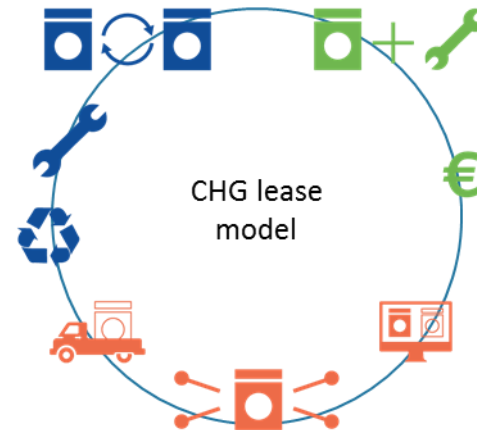
**Product take-back:** by targeting unused assets at existing and new CHG-MERIDIAN customers, take back logistics can be set up in synergy with regular logistics for the primary service offering of CHG-MERIDIAN.



**Value network collaboration:** to provide warranties and operational support during the second-life lease, CHG-MERIDIAN will collaborate with a dedicated partner. Partnerships with second-life remarketing actors and certified recyclers are also envisioned, creating an ecosystem to provide the most appropriate second-life or recycling option for assets of the target customers.



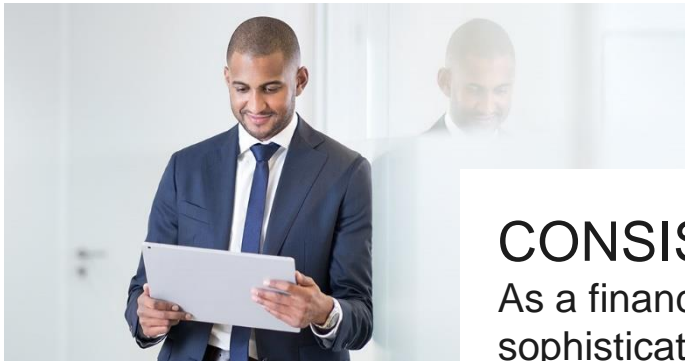
**Data platform:** If the assets are tracked during the second-life lease phase, management of the use and end-of-life phases would become more efficient.



# VITO REPORT

- 11th January 2018
- Ownership: Leasing VS Purchasing
- End of first product life management: Product re-use in EU VS Alternatives
  - CHG-MERIDIAN model VS “doing nothing”
  - CHG-MERIDIAN model VS direct recycling
  - CHG-MERIDIAN model VS export
- Important factors regarding circularity potential
  - Energy efficiency
  - Transportation distance and modes
  - Rebound effects
  - Replacement effect

# HOW WOULD I(C)T LOOK LIKE ?



## CONSISTENT, EFFICIENT, FLEXIBLE

As a financial advisor and technology manager we handle sophisticated technology investments **in a circular way**



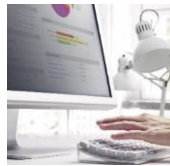
**MDS**  
Managed  
Desktop  
Solutions



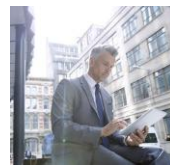
**OPS**  
Output  
Solutions



**DCS**  
Data  
Center  
Solutions



**SWS**  
Software  
Solutions



**EMS**  
Enterprise  
Mobility  
Solutions



**EBS**  
Employer  
Benefit  
Solutions



**DSS**  
Digital  
Signage  
Solutions

- IT (CITS),
- Healthcare (CHS)
- Industrial (CIS)

**CITS**  
Circular  
IT  
Solutions



# RESPONSIBILITY WITH VISION

## SUSTAINABLE DEVELOPMENT



- Owner-managed and strong ties with the local community
- Focus on the future with traditional values
- Thinking and acting with a long-term perspective
- Innovative and extremely robust

## ATTRACTIVE FOR EMPLOYEES



- Common ground rules on how we treat each other
- Open culture of communication; equal opportunities
- Attractive opportunities for young people starting out in their careers

## COMMITTED TO SOCIETY



- Corporate social responsibility
- Support for initiatives, projects, and associations that are close to home or close to our hearts
- Charitable donations and sponsorship

## YOUR CONTACT

### **VIRGINIE VERSAVEL**

Solution Development Manager

### **CHG-MERIDIAN Belux**

Romeinsesteenweg 468

B-1853 Grimbergen

Phone: +32 2 705 46 00

Fax: +32 2 705 35 87

Mobile: **+32 479 799 118**

DDI: +32 2 263 77 10

[Virginie.Versavel@chg-meridian.com](mailto:Virginie.Versavel@chg-meridian.com)

[www.chg-meridian.com](http://www.chg-meridian.com)

FOLLOW US



[www.chg-meridian.com](http://www.chg-meridian.com)

