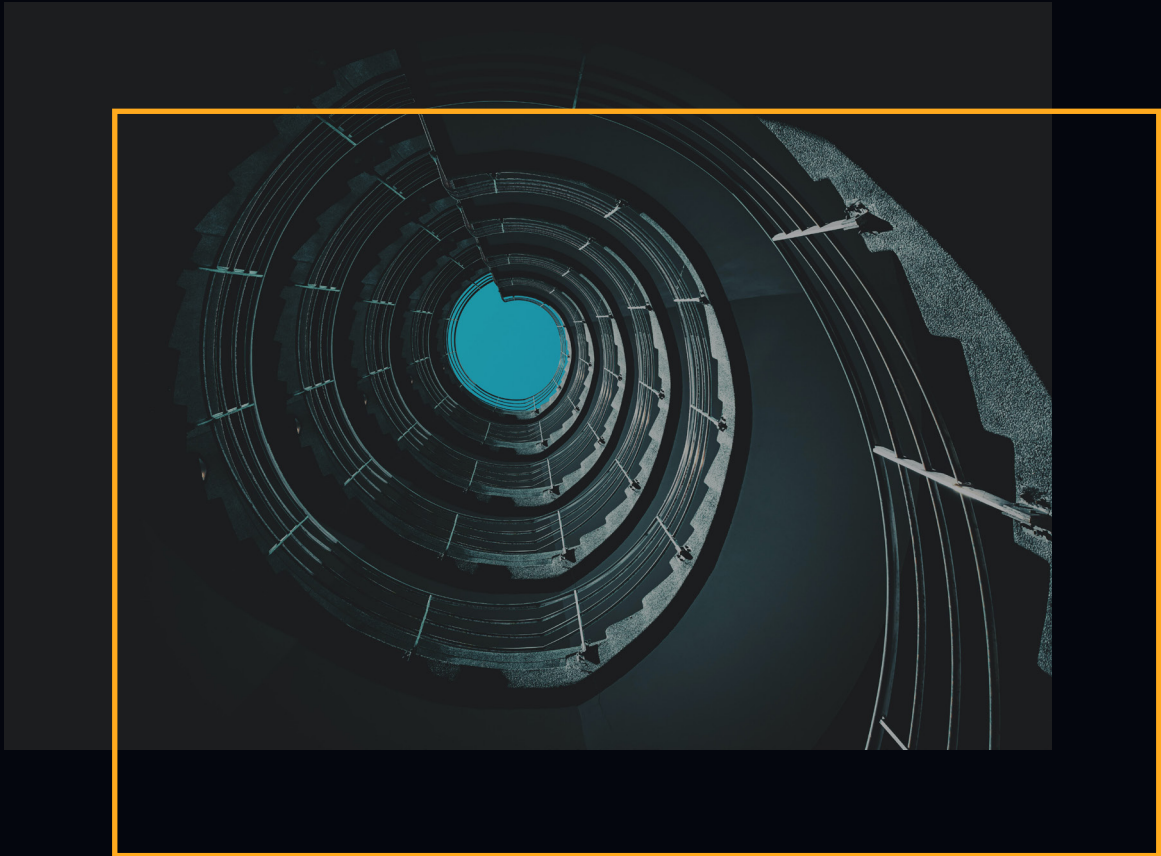




TOMORROW'S CIRCULAR ECONOMY COMMUNITY

How Loopcycle is closing the commercial asset loop



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HALSTON GROUP X

LOOPCYCLE

HG Companies across the board from hospitality to hospitals will utilise a range of assets and equipment to support their business operations. Whilst these are crucial to any business, they don't have a limitless lifespan. In most cases, the average lifespan of commercial equipment ranges between 10-12 years.

More often than not these assets will end their journey in a landfill when that lifespan is reached, as currently there are limited options for businesses to responsibly remove and replace these assets.

Loopcycle has developed a disruptive tech platform that highlights the supply chain crisis in commercial environments. By connecting supply chains, they provide solutions that prevent waste from landfill, grow relationships, and allow data-driven decisions for sustainable procurement.

We spoke with Lauren Hunter, Commercial Director at Loopcycle to discuss how their solution supports businesses in their net-zero goals.

LC *We have discovered that manufacturers lose sight of over 80% of their products, with most having no solution for end of life. The broad answer has been: "our product can be recycled". Yet due to the supply chain connectivity crisis we have as of yet not been able to estimate this value or impact. However, we have seen a growing number of manufacturers taking steps to begin exploring closed loop options.*

We provide the data (passport, service history, etc.) about the equipment you are buying within your estates, to allow you to make sustainable decisions and prevent unnecessary Scope 3 emissions. By working with Loopcycle, we can help you create circular processes, identify cost savings and reduce your carbon impact by providing unique insight to your estate and your needs.

HG Businesses across all sectors have both a desire and a must to take greater action to minimise their environmental impact. As a part of this, they need to understand their current footprint to pinpoint where to action change in their operations. Loopcycle's technology allows companies to trace assets and equipment throughout their life cycle and applies scientifically-backed data to estimate emissions of high-value equipment.

LC *Our method for estimating embodied carbon of a single product works off assumptions and practices outlined by key organizations (GHG Protocol, the EPA, DEFRA, Institution of Structural Engineers, government bodies, top universities). It uses various credible databases, including ICE LCA, University of Oxford, University of Bath, and direct primary data from manufacturers.*

The methodology has been developed as first-of-its-kind, calculating the emissions of high-value equipment based on its weight and a few key factors such as material composition, origin, and provenance. Therefore, by collecting a few key metrics, we can produce an embodied carbon estimate that can guide manufacturer practices and procurement decisions.

The growing need for supply chain transparency means that for first editions, assumptions must be made based on available data. As data quality improves to allow for more specified circumstances and chiseled calculations, future versions will be updated with the new data. Therefore, numbers are expected to change based on continual improvement of data.

TRACKING ASSET LIFE CYCLE

HC As stated earlier on, manufacturers lose sight of 80% of their products, so understanding their business's wider impact and Scope 3 emissions is incredibly difficult. For those manufacturers that are looking to build robust carbon reporting, traceability of manufactured goods will be crucial and very soon could become standard practice.

LC *The standard should be to track assets, from both a commercial and sustainable perspective. For a manufacturer, knowing where a product goes throughout its lifecycle promotes warranty, maintenance, and upgrade opportunities that reinforce revenue streams, as well as provides product data on actual use for continuous improvement - real-life R&D. Additionally, there is sustainable value, as tracking lifecycles provides the data for advancing the circular potential of equipment through redirected waste.*

More recently we have become more involved in MedTech, national highways assets and commercial foodservice and laundry equipment. As end users and estate holders begin to explore their net zero contributors outside of energy efficiency and renewables, the focus has become the emissions of purchased products. Most supply chains where manufactured assets are required are now finding that there is a large knowledge gap as to how sustainability can be approached, but in tandem, what that roadmap looks like.

TRACING ASSETS FOR COMMERCIAL MANUFACTURERS

HC Many manufacturers are being held to wider government environmental targets but not necessarily given the guidance to action change, especially those manufacturing commercial goods.

LC *The industries most challenged are those that don't have a domestic commercial cross over. Sustainability has generally been driven through domestic consumer products. Commercial manufacturers have not had many drivers at this stage to review supply chains, lifetime performance and end of life. We have found in commercial catering equipment and laundry, that manufacturers haven't had much guidance, and change has been stalled for sometime. That is however, beginning to change with some forward thinking manufacturers now taking real steps at speed to address their carbon agenda. The greatest challenge stems from a lack of product sight, as the reseller or distribution models removes the manufacturer from the end user, our goal is to connect the entire supply chain to enable products and assets to be recycled, remanufactured or refurbished*

The Loopcycle ecosystem includes actors all along the supply chain, including manufacturers, distributors, estate holders and procurement, service providers, recyclers and remanufacturers, resulting in shared data, insight and experiences. These also include customers and investors, who are looking for sustainable and future-proof business practices in their purchasing and investment decisions. By connecting these actors, proper maintenance and repair can extend product life, and waste streams can be diverted through reselling, refurbishment, remanufacturing, and recycling. All of this accumulates valuable and effective data that allows for process improvement and increased sustainability of assets.

The most common challenge we see is a lack of training and document availability for the end users as it still a very old fashioned paper document or booklet provided. By loading this information via the QR code to have it readily available, problems such as cleaning, maintenance requirements and unnecessary engineer visits can be eradicated.

Using our technology we can also provide monthly reports which highlight common challenges with equipment, which can be addressed as a training requirement to save cost and emissions, or as potential procurement opportunity.

SECONDHAND MARKETPLACE

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The secondhand marketplace has become incredibly popular in the consumer space- according to GlobalData, the clothes resale market in the UK grew by 149% between 2016 and 2022 and forecasted to rise 67.5% from 2022 to 2026. This growth trend is being seen across all consumer product types but isn't necessarily being replicated in the commercial field. Buying clothes on Vinted is relatively low risk, but when purchasing commercial equipment, like ovens, the risk is far greater and could even prevent a business from operating if the asset isn't to the described quality.


LC

At present, the B2B secondhand marketplace is trailing behind consumer products, often due to the fact that there exists a lack of trust in secondhand products and a fear that faulty products can put a business at risk. Loopcycle currently hosts a B2B resell marketplace where clients can buy and sell assets with trusted service histories and provenance, plugged into the ecosystem that allows for proper maintenance of quality. Like a Bluebook, businesses are presented with data and statistics about these products and their value so that they can make informed decisions about the products they purchase. By removing the mystery and risk behind the secondhand market, Loopcycle can help businesses become more sustainable, save money in procurement and create new revenue through resold assets.



THE GREENTECH MARKETPLACE

There are over 400 GreenTech Startups in Europe alone and many more that have grown past this stage. The GreenTech sector is expanding rapidly on a global scale, being driven by those who are passionate to protect the future of the planet but also the demand from companies that want to accelerate the transition to a greener tomorrow.



LC *A year ago we found a reluctance from manufacturers to take action, however there is now a real momentum to understand, map and take action.*

The general opinion came across that end users and buyers were more focussed on energy efficiency and capex savings. Which at that time was a focus, but we've now reached a stage where sustainable procurement is a common phrase, meaning sustainability has evolved to more than one pillar.

It has been amazing to see the tide change, and to be approached by different types of manufacturer and end user, who are driving change and understand that we can help develop a road map that delivers sustainable and commercial value.

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TECH ORIGIN

MERCURY



**SUSTAINABILITY
PARTNERSHIPS**

Entering the GreenTech Era: Tomorrow's Circular Economy Community

Published by Halston Group

<https://halstongroup.co/>

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