

EVALUESERVE

● Whitepaper

The **Circular Economy**: Revamping Sustainability to Maximize Value



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Introduction

Despite global efforts from both the public and private sectors, based on current progress, sustainability goals will not be met. The EU started restricting single-use plastics in 2021 and passed additional regulations with hopes of recycling 100% of plastic packaging by 2030.¹

Similarly, the US set a target to recycle 50% of its plastics within the same time frame. Based on the current recycling capabilities, however, only **10-14% of plastics** will be recycled by 2030.²

Our systems are inefficient. The key to meeting sustainability goals and maximizing the value of resources is strengthening the circular economy.

1 European Commission, "[EU restrictions on certain single-use plastics](#)"

2 Bain & Company, "[Improving Sustainability and Circularity in Plastics](#)"





What is the Circular Economy?

The circular economy is a systematic, sustainable approach to production and consumption in which the value of materials is maximized through reusing and recycling.

There are three main components of circularity, which work in tandem to minimize both waste and costs.

Reduce	Reuse	Recycle
Consuming sustainably to decrease environmental impact	Utilizing recycled materials in products and packaging	Recycling and disposing of waste properly
Designing long-lasting, reusable, and recyclable products	Maximize product use before disposal	Recyclables are processed efficiently and effectively
Optimizing resource usage in production		

Environmental and Business Impact

The circular economy offers significant sustainability benefits including reducing greenhouse gas emissions and maximizing resource efficiency. With 45% of greenhouse gas emissions attributed to the use of raw materials, shifting to a circular model of production that utilizes recycled materials can drastically cut emissions.³ This approach could lead to a reduction of 7.2 megatons of CO₂.⁴ Moreover, by 2040, the circular economy could reduce the volume of plastics entering the ocean by 80%.⁵

Additional benefits of a circular economy include:

- Decreased costs due to more efficient usage of both raw and processed materials
- Reduced supply chain risk by decreasing dependence on scarce resources and suppliers
- Multiple forms of profit (ecological, economical, and social)

3 Ministry of Economic Affairs and Climate Policy of the Netherlands, [“Circular Business Models”](#)

4 Ibid

5 Ellen MacArthur Foundation, [“Designing out plastic pollution”](#)

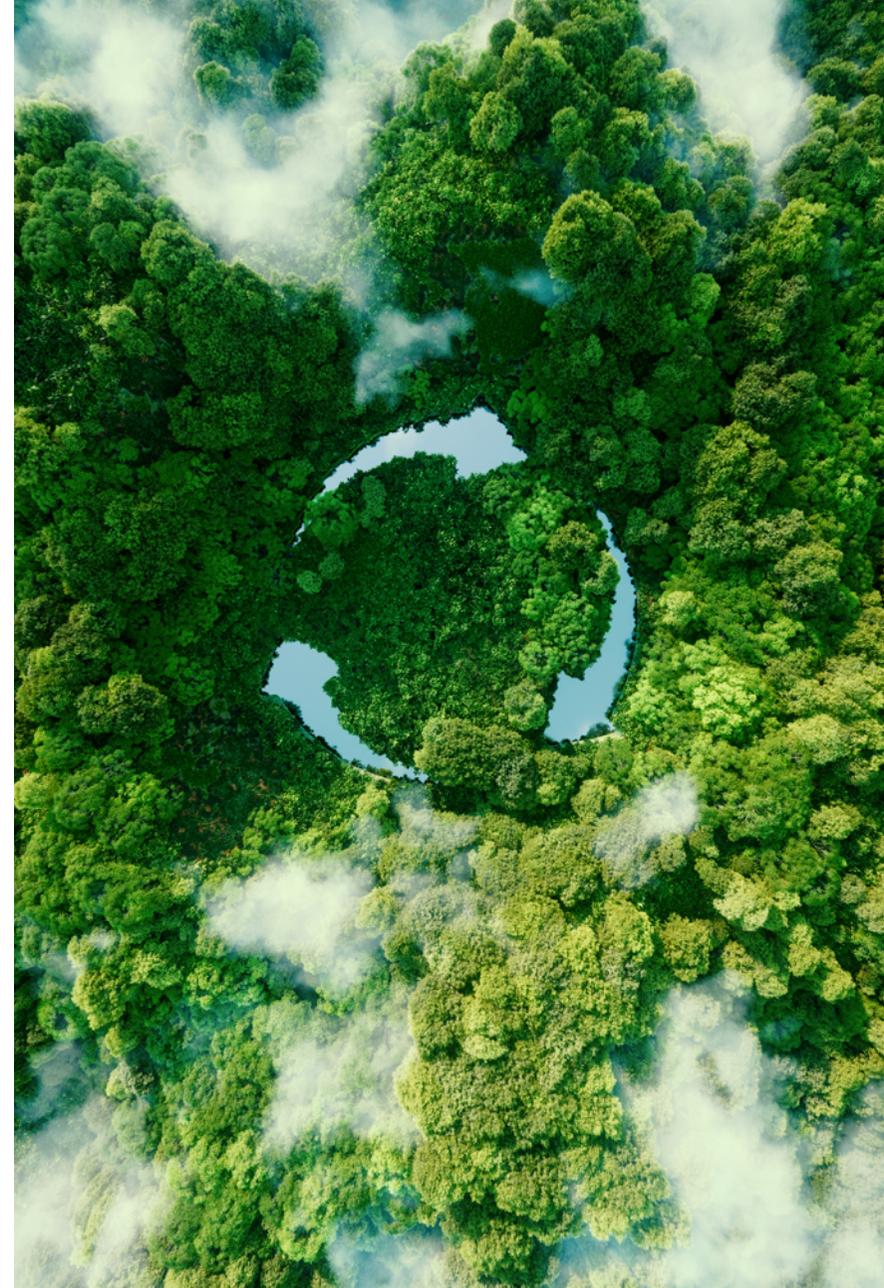
Phillips Case Study

Phillips, a global health technology conglomerate, embeds the circular economy into all company operations and revolves its new business model around it. The company encourages customers to trade in medical equipment to be refurbished, prolonging the life of these products and maximizing their lifetime value. As a result, Phillips reclaimed over 11,500 systems or pieces of equipment in 2023.

Phillips also designs its products with recyclability in mind and utilizes renewable energy in 78% of its operations.

Its sustainability efforts, in total, lead to an estimated 22 kiloton reduction in CO2 emissions in 2023.⁶ Furthermore, 20% of its revenues in 2023 came from circular products and services. Phillips has already met many of its 2025 sustainability targets in 2023 because it incorporated the circular economy into its operations. The results of Phillips' sustainability initiatives highlight that companies can significantly impact the planet and its revenues by embracing the circular economy.

6 Phillips, "[Green and Sustainability Innovation Bond Report 2023](#)





Fully adopting the circular economy can also profoundly affect the global economy. The push towards circularity can create 700,000 jobs and generate \$200 billion of annual savings.⁷

An optimized circular economy, after all, maximizes the value of resources while minimizing waste.

Companies have already reported savings, one example is Hilti sharing that it saved 90 tons of materials⁸ through circularity. In addition, BCG predicts that the circular economy can unlock “\$4.5 trillion in GDP growth by 2023.”⁹ Embracing the circular economy means embracing growth. While transitioning towards the circular economy may seem daunting, many resources and services are available for companies to capture this growth.

7 Ellen MacArthur Foundation, “[Designing out plastic pollution](#)”

8 Boston Consulting Group, “[Lead the Circular Economy](#)”

9 Ibid

Circular Economy Case Studies

Crafting a Packaging Design Playbook to Achieve Net-Zero Emissions

Evalueserve plays a significant role in helping companies reach circularity. One of our clients, a global consumer packaged goods (CPG) player, aims to reach net-zero greenhouse gas emissions across its supply chains by 2040. To accelerate their efforts, our team at Evalueserve leveraged our **GREEN Solution Framework** to design a sustainable packaging design playbook.

There are four parts to this framework:

Generate: market opportunities through evaluating factors influencing the business environment.

Refine: Prioritize opportunities by assessing dimensions that impact commercialization potential.

Equip: Enable the client's market approach by developing their Go-To-Market ecosystem.

ENGage: Develop the market by aligning last-mile business models and enabling sales.



With this framework, we deduced actionable insights for the packaging our client utilizes. These insights implemented the circular economy by optimizing current designs, re-designing the packaging, or creating alternate business models that maximize material usage and minimize waste.

Analyzing the carbon footprint of the client's packaging across the product lifecycles empowered our Evaluateserve team to deliver a circular, sustainable packaging design playbook with the following impact areas:

Carbon Reduction

One-stop solution for design guidelines to help reduce emissions from packaging.

Process Enhancement

Narrow down sustainable packaging options, complementing the detailed life-cycle assessment (LCA) for each alternate.

Efficiency

Increased efficiency in design decisions, allowing new packaging to hit the market faster.

Global Application

Guidelines for all designers at a global level and across all packaging platforms utilized by the client.



Evaluating Disruptive Solutions for a Leading Construction Material Manufacturer

Evalueserve also helped one of Asia's leading construction material manufacturers expand its portfolio into the circular economy. As sustainability demands and policies evolve throughout Asia, integrating the circular economy is now essential for businesses to retain clients and realize future growth prospects.

Our client wanted to identify and evaluate emerging circular economy technologies that could assist them with managing post-consumer and industrial waste. We leveraged our team of decarbonization experts to support sustainability initiatives at each stage, from strategy formulation to market execution. Our experts first generated incremental insights under the following major brackets:

- Prioritizing sectors and industries that aligned with the client's growth objectives
- Assessing customer sustainability initiatives to diagnose unmet needs and critical challenges
- Examining existing technology and partnerships, bucketing similar ones together to gather key players in client's serviced sectors
- Benchmarking technology through a multi-dimension analysis to prioritize innovations with the greatest ROI and impact on the environment
- Evaluating these technologies based on reach and scale, value chain, and end-products market



As a result of this thorough circular economy technology analysis, our decarbonization team identified 18 innovation solutions that aligned with the client's needs. The top 5 technologies and business models were then shortlisted after a deep-dive evaluation of their impact, scalability, adoption, and disruption potential. With this methodology and needs-tailored process, the team delivered the following high-impact areas for the client:

- **Circular Economy Landscape:** comprehensive circular economy analysis where our client could diversify its interests while serving the sustainability goals of existing customers
- **Potential Partnerships:** extensive list of partners that would enable circularity across the value chain
- **Disruptive Solutions:** highly disruptive technologies that would give the client a competitive edge





Conclusion

Like these clients, Evalueserve can help your company embrace the circular economy and meet sustainability goals. Our proven frameworks, such as the GREEN Solution Framework, have empowered clients to optimize their resource usage and reduce their carbon footprint. Our actionable insights drive efficiency and give clients a competitive edge.

Join industry leaders in transforming your businesses and achieving significant environmental and economic benefits with Evalueserve's tailored solutions.

[Speak to an expert](#)

