

THE DIGITAL REVOLUTION OF THE CIRCULAR ECONOMY

The Circular Economy is seen as the resource-friendly economic model of the future, which is something software specialist iPoint-systems is also convinced of. The company's solutions support a continuous digital lifecycle management process that ensures compliance with the law and the sustainability of products and systems. One example of this is the SustainHub community platform, which facilitates the cross-industry exchange of relevant data within the supply chain.

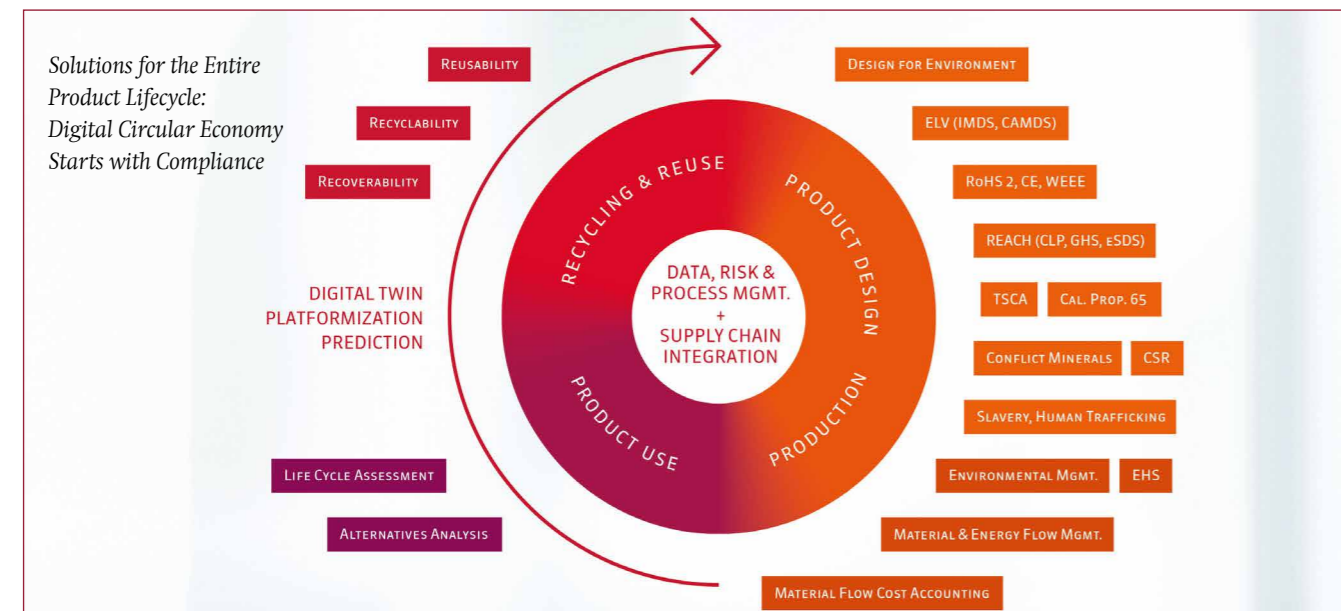


By Dr. Katie Boehme, iPoint-systems

Companies face a multitude of challenges when it comes to product development and procurement. Particularly in technically advanced industries, supply chains are globally branched and highly complex, making it difficult to track the path of a product along the entire value-creation process. A smartphone

alone contains hundreds of parts made from more than 60 different raw and processed materials. The resources required are often mined in developing countries and then processed into cell-phone components in other countries. If human rights violations occur during this process, this can damage the repu-

tations of the companies involved and also alienate customers and consumers. Moreover, the companies are also confronted with countless environmental laws and obligations: These include the RoHS directive (Restriction of Hazardous Substances) and the REACH regulation (Registration, Evaluation, Authorisation



and Restriction of Chemicals), which contain requirements that must be complied with during the manufacturing process. The transparent exchange of information concerning the legal compliance and sustainability of products is therefore of ever-greater importance to companies.

Digital Circular Economy

This is also the starting point for iPoint-systems' business software. It enables companies to manage compliance with product-related, regulatory, and customer-specific requirements applicable to substances, materials, and processes. The holistic approach of the software makes it possible to control and verify the relevant data across sectors and throughout the entire product lifecycle. "The Circular Economy approach we support does not see an absolute 'end' to a product or process. Our holistic, circular perspective is based on continuous, positive development cycles," explains Joerg Walden, CEO of iPoint-systems. With respect to products, this means that the information from all process steps must be taken into account right from the design phase in order to be able to feed the resources used back into biological or technical cycles after

their respective primary use phase. "If this approach is to be implemented in a highly automated manner and the sustainability potentials of new business models are to be developed across the entire lifecycle, we require universally digital models," Walden continues. A digital replica of the products – what is known as a "digital twin" – not only facilitates their efficient development, but also the ability of smart systems to continually gather and communicate data about themselves and their environments. "Thanks to today's trend toward a high level of product customization and the associated heterogeneity of the suppliers and manufactured parts, compliance with the law can be verified only by digitizing the processes necessary to do so," Walden says.

Cloud-based SustainHub platform

For iPoint-systems, the transformation of existing information systems into digital processes and the increasing convergence of cutting-edge technologies that break down the barriers between the physical and digital worlds are key starting points and drivers of new business models in the cloud. One example of this is the SustainHub platform, which can be used

to make communication and data collection between companies in the supply chain simple and efficient.

This cloud solution offers the following benefits to users:

- Depending on regulatory and customer-specific requirements, different applications are available. These include the Conflict Minerals app for collecting, aggregating, and reporting relevant Conflict Minerals-related data across the entire supply chain, and the Material Compliance app for managing data concerning substance-related regulations such as REACH and RoHS. These always reflect the most current requirements of the directives and regulations.
- By registering, users become part of the largest community of experts on these issues and can benefit directly from proven processes.
- The applications enable users to make automated inquiries within the supply chain. In turn, the data can be used for reporting in standard formats. With the help of free basic licenses, suppliers can respond to customer inquiries and use existing declarations multiple times.
- Users have the ability to define roles and tasks within their teams, to manage, and to intensify collaboration in the supply chain.
- The platform offers a uniform user interface for the routine use of existing and new functions.
- Introductory tutorials, an extensive knowledge database, and other support tools accelerate the individual learning curve of the users.

To help customers meet their current and future sustainability needs, iPoint-systems plans to add more applications to the SustainHub, for example in the fields of social compliance, life cycle assessment (LCA), and corporate social responsibility (CSR). ■

PARTICIPATING IN THE UN GLOBAL COMPACT INITIATIVE STRENGTHENS IPOIN-T-SYSTEMS' COMMITMENT TO SUSTAINABILITY

iPoint-systems began participating in the United Nations Global Compact initiative in 2017. "In everything we do, we put sustainability at the heart of our business. With our software solutions, we can actively contribute to supporting the manufacturing of sustainable products," explains Walden. In this way, the company specifically supports Sustainable Development Goals 8 and 12.

"Our corporate strategy is already very much in line with the 10 Principles of the UN Global Compact. That's why it was a logical step for us to participate in the initiative and, by doing so, emphasize our commitment as a company and corporate citizen to help accelerate the transition to a sustainable future."

