CIRCULAR TRANSITION INDICATORS
CASE STUDIES

Organization Name:
Sika

Industry:
Building materials

Number of employees:
25,141

Annual revenue:
CHF 8,1 billion

Website:
http://www.sika.com

A shift towards a circular economy bears business opportunities to our company. Circularity indicators help us better define and develop our products in the context of increasingly relevant circular economy principles. They are an insightful complement to our work on Sustainability Portfolio Management supporting us develop and market value added products which are both more performant and more sustainable.

Mark Schneider,
Head Global Product Sustainability, Sika

Why are circular metrics interesting to your company?

Sika is a specialty chemicals company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and motor vehicle industry. We are dedicated to continuously measure, improve, report and communicate sustainable value creation. We're interested in exploring CTI as a complementary tool to help us deliver "More Value, Less Impact," Sika's long-standing commitment to maximizing the value of our solutions and contributions to all stakeholders while reducing risks and resource consumption.

Key challenges

At Sika, our aim was to test the CTI on three product groups representative of our business. A key challenge was understanding how the CTI framework considers end of life and circularity aspects for chemical products which are integrated into building and automotive structures.
Due to the high technical performance requirements of products in our sector – where products are designed to last – we find that durability of products is not adequately considered in the CTI. The framework provides useful insights into the circularity of products – however – and we are keen to explore how to fully address the context of construction chemicals within this framework (e.g. end of life, durability and their role as enabler of sustainable construction and transportation in the downstream value chain).

Solutions

We chose to assess products across different groups that have already been studied and are well understood from a sustainability perspective (through Life Cycle Assessment or Cradle to Cradle Certified™). This approach enabled us to streamline the data collection process and to allocate more resources to studying the factors influencing the circularity of our inflows and outflows.

Results

The initial assessments provided us with useful information on how to quantify the circularity of our products. The CTI framework and online tool with its powerful visuals can help companies in identifying opportunities for improvements for both production and end of life recoverability with the limits outlined above. Working in close collaboration with our Research & Development experts, we used this information to quantify the impact of raw material optimization opportunities on the circularity of new product developments – demonstrating the strength of the methodology to support the innovation process, especially when used as part of an interdisciplinary approach.