

REACH Compliance Assessment SAP Consulting Services



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Agenda



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We enable you to be REACH compliant

REACH Legislation Overview

Industry Challenges

Service Overview: REACH Compliance Assessment

Value Proposition

Major Changes with REACH

Companies will have more Responsibilities



- Replaces 40 existing legislations
- Focuses on substances in terms of quantity and risk (also valid for impurities and byproducts)
- Registration of substances ≥ 1 ton/year (estimated 30,000 substances imported or produced in the EU)
- Transfers responsibilities from regulatory authorities to the industry (“Precautionary Principle“)
- Material penalties will be defined by end of 2008

Which Industries are affected?

Importers, manufacturers & downstream users are affected



Primary Industry Targets

Industry that manufacture in or import into the EU REACH regulated chemicals

- Chemicals
- Pharmaceuticals*
- Consumer Products* (Food, Cosmetics)
- Oil & Gas

Secondary Industry Targets

Industry that use large quantities of chemicals in the manufacturing process

- Automotive
- High Tech
- Mill Products (Metals, Paper)
- Consumer Products – Durable Goods

* Finished products are not part of REACH Legislation but ingredients and process chemicals are effected as long as they are not part of the end product

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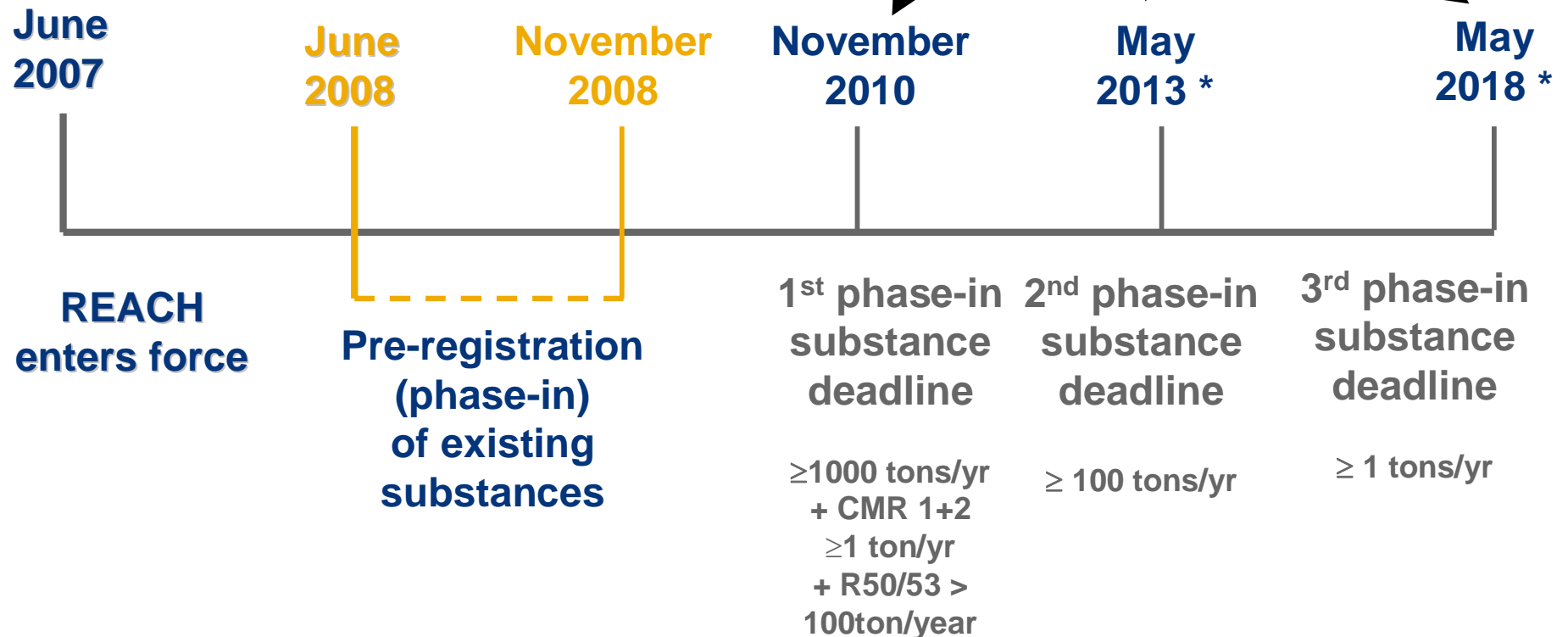
Value Proposition

REACH Registration Timeline

Meeting deadlines is essential for the business



**Ensure registration in time !
No registration – No sales**



* only, if substance was pre-registered in 2008 (otherwise the deadline would be 2010)

Current material Effects of REACH

REACH impacts your entire Business



Business

- Additional registration cost ≥ 100.000 € per substance (average)
- Uncertainty around market value vs. costs and risks
- Impact on companies strategy: portfolio adjustment, M&As

Legal

- Vast amount of product data to be managed and prioritized (Which substance to register when and by whom?)
- Uncertainty on timely registration activities at suppliers and customers end

IT

- Significant uptake in information sharing and enforced communication along the supply chain
- Higher operational costs, redundant work (i.e. tox studies) and delayed dossier submission in case of inefficient collaboration
- Tracking & monitoring of REACH program status and activities difficult due to lack of process integration and data harmonization.

Unique REACH Challenges for Companies

Business Challenges require advanced IT Support



Business Challenges

Define **business process** to deliver data

Registration must be **simple, transparent and secure**

Minimize **costs**

Meet **timelines**

Coordinate external and internal stakeholders

Act at **substance level** (not materials); timely volume tracking

Determine exposure testing & reporting procedures

Align business objectives



IT Challenges

Registration process support

Solution for substance volume tracking (SVT) to define reporting timelines and thresholds

Integrate substance volume tracking into shipping process

Determine IT tools to support business needs

Track & document all events

Enhance / adjust Material Safety Data Sheets (MSDS) with exposure data

Support consortia for joint submission of dossiers

Integrated solution within existing infrastructure

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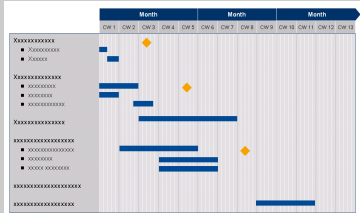
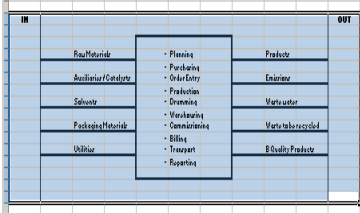
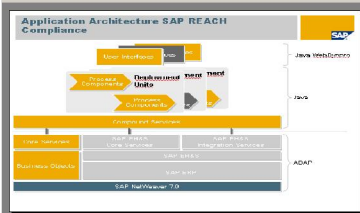

Service Overview: REACH Compliance Assessment

Value Proposition

Service Offer: REACH Compliance Assessment

We will find the optimal Solution for you



Phases	Initialization	Analysis	Conception	Summary
Activities	<ul style="list-style-type: none"> Introduction to REACH Highlighting of major industry challenges REACH Compliance Assessment plan (focus, time, resources, efforts) 	<ul style="list-style-type: none"> Assessment, based on companies product portfolio and business relationships Identification of business processes and IT systems affected by REACH Analysis of existing IT landscape and its pain points 	<ul style="list-style-type: none"> Definition of To-Be IT landscape Development of overall action plan for creating a REACH compliant business & IT setup 	<ul style="list-style-type: none"> Preparation Documentation Presentation
Deliverables	<ul style="list-style-type: none"> Overview Presentation on REACH Legislation Agreed assessment scope & plan 	<ul style="list-style-type: none"> Challenges overview for business processes Challenges overview for As-Is IT landscape 	<ul style="list-style-type: none"> High-level To-Be solution landscape Transformation Roadmap incl. detailed actions items 	<ul style="list-style-type: none"> Management Summary 
Efforts	10 man days	Duration	2-3 weeks	

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REACH Compliance Assessment Benefits

The Roadmap to REACH compliance is defined now



REACH Compliance Assessment

Increased REACH awareness in your company

Identification of non-compliance risks in processes and systems

Recommendation for a compliant To-Be IT landscape

Company-specific transition / roadmap

Minimization of REACH costs especially for processes and IT

Portfolio development is out of REACH risks & timelines are kept

Timely compliance is turned into strategic advantage

SAP is the “one stop shop” to make your Business sustainable REACH compliant



Solutions

- **SAP EH&S**
(Environment, Health & Safety)
- **SAP GRC**
(Governance, Risk&Compliance)
- **SAP GTS**
(Global Trade Services)

Concept / Strategy

- Deep industry and process expertise
- Strong REACH knowledge
- Experience in IT strategy, landscape and roadmap studies

**We enable
you to be
REACH
compliant**

System Implementation

- Excellent knowledge in implementation of compliance-relevant SAP solutions

Contact

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