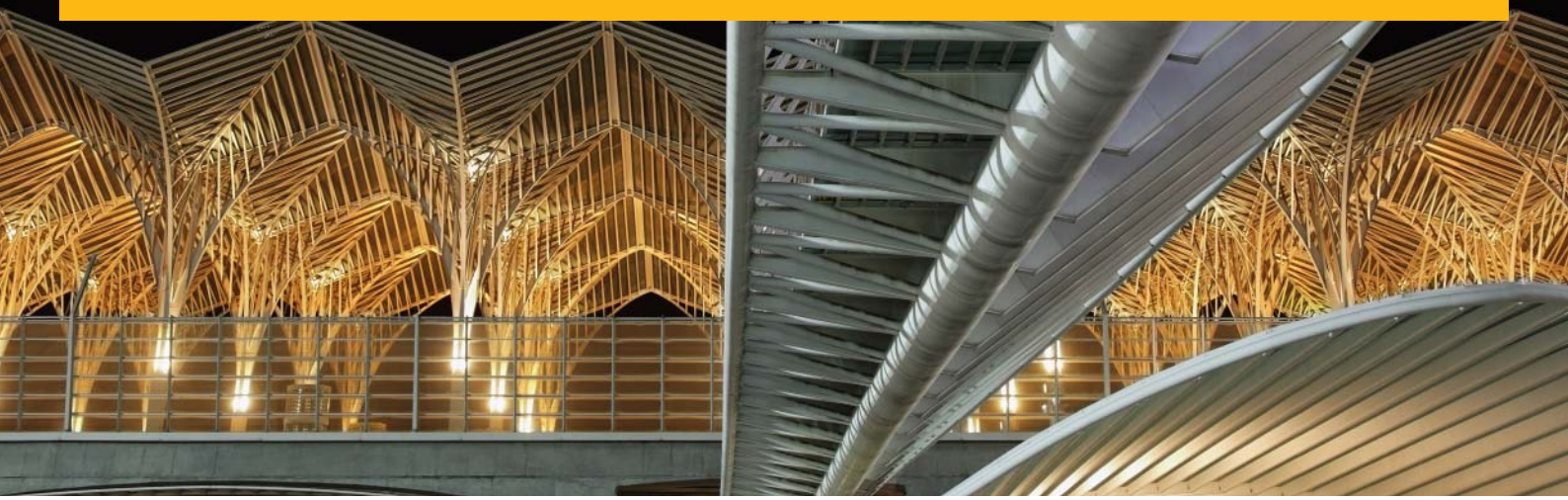
SAP Solution Brief
SAP for High Tech and SAP Services

Compliance Assessment for Sustainability Regulations for the High-Tech Industry



Quick Facts

Summary

Ensuring compliance with environmental regulations is challenging for most high-tech firms – but it's essential to business sustainability. For instance, you must comply with upcoming compliance deadlines for the European legislation REACH (Registration, Evaluation, Authorization and Restriction of Chemicals). SAP can help by performing a compliance assessment for sustainability regulations that evaluates your current level of compliance and results in a strategic plan for ongoing compliance.

Business Challenges

- Increasingly complex regulations
- Rising compliance costs and risks
- IT landscapes and processes that aren't optimized for compliance

Key Features

- **Initialization** – Get an overview of substance- and product-related regulations you must comply with
- **Analysis** – Assess the current state of your IT landscape and processes relative to compliance; identify issues
- **Conception** – Define optimal processes and an appropriate "to be" IT landscape; obtain a transformation road map
- **Summary** – Get an overview of assessment results in a documented management summary; review the transformation road map

Business Benefits

- **Understand the challenges associated with substance- and product-related regulations** while gaining a greater awareness of their business impact
- **Evaluate your compliance situation**, including the risks of noncompliance in processes and systems
- **Develop a sustainable affordable compliance strategy, road map, and IT landscape** that leverage existing IT investments
- **Minimize compliance costs**, especially with regard to business processes and IT
- **Safeguard your license to operate** and help ensure market access
- **Turn compliance into a business opportunity** by gaining the ability to serve new markets

For More Information

Contact your SAP sales representative, or visit us online at www.sapsustainabilitytoday.com.

The Best-Run Businesses Run SAP™

How is your business ensuring compliance with complex environmental regulations? The cost of compliance can be high, but the cost of noncompliance can be far greater – so you need a strategy and execution plan that's optimized for your business. What if you could reduce business risk – and make your business more sustainable – by gaining expert insight and road maps for optimizing your compliance activities, processes, and IT investments?

For example, manufacturers of electrical and electronic equipment must comply with a growing array of strict environmental regulations around the world, such as the Restriction of Hazardous Substances (RoHS) and the Waste Electrical and Electronic Equipment (WEEE) Directive. Facilitating compliance can be challenging – especially when new regulations such as the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) are signed into law.

REACH deals with the tracking and notification of regulated substances and ensuring the safe handling of preparations to protect workers and the environment. While the first compliance deadline passed on November 30, 2010, REACH requires that you establish sophisticated new processes by a series of deadlines in 2011, 2013, and 2018 for:

- Volume tracking of substances in preparations and regulated substances (substances of very high concern, or SVHCs) in articles
- Assessing the obligations for notification and information of agencies, business partners, and end consumers
- Complying with safe usage conditions specified by exposure scenarios for products

As REACH is gradually rolled out throughout Europe, compliance will have a significant impact on your business, and the costs of noncompliance will be sizable. And you can expect more of the same globally; countries such as the United States, China, and Russia either have regulations with similar requirements in place or plan to have them in the near future.

While compliance can seem burdensome, when facilitated by the right processes and enabling technologies, it can lead to better business practices, improved performance, and a competitive advantage. Achieving this requires that you take the time to define the optimal and most cost-efficient approach to complying with regulations. The result is a standardized way of managing compliance that reduces risk and delivers unique value to your business.

DEVELOPING A WAY TO ENSURE AND MAINTAIN COMPLIANCE

SAP can help you accelerate along the path to sustainable compliance by providing a comprehensive compliance assessment for sustainability regulations. After analyzing and documenting the product safety and REACH compliance requirements impacting your business, our consultants give you a clear view of your current compliance status, as well as the business risks associated with noncompliance. In addition, we suggest ways to safeguard your license to operate and propose a new or modified IT landscape that integrates compliance requirements into IT operations. We deliver these recommendations in:

- A transformation road map for creating a compliant business and IT landscape
- A concrete proposal for a high-level "to be" solution landscape that shows how to integrate key compliance software into your existing IT and process environment
- A management summary containing all the results of the compliance assessments for sustainability regulations

Based on the recommendations for your specific situation, SAP consultants can also deliver fixed-price services that support optimized processes and reduce total cost of implementation and total cost of ownership. The processes SAP® software supports are based on proven best practices for product safety, REACH compliance, global label management, dangerous goods management, and health and safety management. Deploying the recommended SAP software according to the transformation road map developed by your consulting team gives you a ready-to-run solution that typically covers over 80% of business requirements without customization. You can further optimize the solution via customization services, if required.

A COMPREHENSIVE ASSESSMENT

The compliance assessment for sustainability regulations from SAP covers every area of your business that's impacted by REACH and other environmental regulations in the markets you serve. Conducted as a workshop using questionnaire-based consulting, an assessment is typically completed within two to three weeks, depending on circumstances.

Product Safety and Product Compliance
Central to the compliance assessment for sustainability regulations is an evaluation of your current level of product safety and product compliance. You'll understand your organization's ability to perform the following activities, which are essential to compliance with regulations:

- Gathering data for regulated substances (such as SVHCs) from your suppliers
- Gathering substance and composition information for imported preparations from your suppliers
- Managing regulatory thresholds
- Tracking volumes and notifying authorities
- Providing information along the supply chain
- Tracking and reporting recycling data

Labeling
Our consultants will assess how your business currently handles labeling and identify compliance failures and risks as you:

- Create compliant labels for rebranded preparations based on regulations and the languages used in each country (for example, when generating labels specifying shipment destinations)
- Determine necessary symbols, hazard phrases, and precautionary statements
- Print labels and apply them to packaging, taking into account requirements for specific colors, the ability to withstand saltwater, and more

Dangerous Goods Management
In the area of dangerous goods management, SAP consultants will determine the degree to which your current compliance activities enable you to:

- Maintain and load into the appropriate IT systems all basic dangerous goods data for relevant regulated articles. Data is based on local legislations (for example, the Canadian Dangerous Goods Regulations), regional regulations (for example, European road transport regulations for dangerous goods), or worldwide regulations (for example, those enforced by the International Air Transport Association).
- Adapt and update this data regularly according to regulatory requirements (usually twice a year)
- Classify products and provide information for the whole transport process (including aspects for chemical, packaging, and intermodal transport)
- Provide dangerous goods information for compliance checks, relevant documents, and electronic data transfers (for example, using electronic data interchange)

Health and Safety Management
Optimizing health and safety management is essential to having sustainable business operations. If you can't operate a line of business safely, it's a line of business you shouldn't be in. Our consultants will help you determine your current level of compliance with health and safety regulations in the countries where you do business – for example, by analyzing how you:

- Assess, qualify, and manage vendor extended safety data sheets for preparations handled and stored
- Maintain substance and workplace data needed for health and safety purposes
- Derive measures for safe operation (for example, by examining standard operating procedures) and storage (taking into account regulations for storage conditions)

KEY BENEFITS

The compliance assessment for sustainability regulations from SAP helps you ensure business continuity and competitiveness – all while minimizing compliance risks and costs. At the same time, you can:

- Assess and evaluate your compliance situation – including the business risks of noncompliance in processes and systems

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- Understand the challenges associated with substance- and product-related regulations while gaining a greater awareness of their business impacts on your company
- Develop a sustainable, affordable compliance strategy, road map, and IT landscape that leverage your existing investments
- Minimize compliance costs – especially with regard to business processes and IT
- Safeguard your license to operate and help ensure market access
- Turn compliance into a business opportunity by serving new markets in a compliant manner that gives you a competitive advantage

FOR MORE INFORMATION

With a compliance assessment for sustainability regulations from SAP, you'll have a solid foundation for making fast, informed decisions regarding how to best manage REACH and other compliance requirements for your business. For more information, contact your SAP representative or visit us online at www.sapsustainabilitytoday.com.

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