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Group Chemical Coordinator

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Date

2020-11-30 2

Issue

Classification Company confidentiality

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NOT CLASSIFIED

Replaces

Document ID

GMS-0429

Title

REACH Executive Summary

1 General

REACH is a European Union regulation concerning the Registration, Evaluation, Authorisation and restriction of Chemicals. The regulation, which is directly binding on all member states, came into force on the 1st of June 2007 and replaces a number of European Directives and Regulations with a single system.

REACH has several aims and shall among others:

- provide a high level of protection of human health and the environment from the use of chemicals
- make the manufacturers and importers responsible for understanding and managing the risks associated with the use of chemicals
- allow the free movement of substances on the EU market
- enhance innovation in and the competitiveness of, the EU chemical industry.

REACH applies to all individual chemical substances on their own, in preparations and in articles and has led to more complex and tougher regulations for chemicals.

The passage of information up and down the supply chain is a key feature of REACH. Manufacturers and importers need to know the different uses downstream to be able to assess the risks associated with the use of the chemicals and articles.

Placing products on the market within the EU means that several requirements of REACH must be fulfilled. A well-organized management of hazardous substances both in chemical products and in articles is essential to be able to fulfill the requirements.

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Many substances will be subject to restrictions and or authorisation, therefore such substances must be phased out in manufactured and also in purchased products as far as is technically feasible and economically reasonable. This work is important to plan and organize due to the risk of obsolescence of process chemicals and the risk of increased cost. It should also be noted that in many cases the customer requirements regarding substances are more difficult to comply with than the legal requirements of REACH.

Many customers require declarations of substances in articles. In most cases there is a need for a specific Product Management tool to handle material declarations.

REACH requirements need to be taken care of in several parts of a company's management system. Within business control and monitoring and in the management of a product's life cycle there is a need for activities that take care of customer's and legal requirements.

How Saab governs and follows up environmental issues is established in the Global Management System (GMS).

External information about how Saab prepares and works with REACH related issues are available on www.saab.com. Supplier related documents and requirements can be found at [Saab Supplier Portal](#).

Saab takes an active part in REACH Working Groups at both National and European level. The AeroSpace and Defence Industries Association of Europe (ASD) has released a guideline on REACH. The guide can be downloaded at ASD's website (www.asd-europe.org).

For more information please contact Saab's Group Environmental Function.

2 Appendices

[GMS-0429 App 1](#) Frequently asked questions (FAQ) about REACH

[GMS-0429 App 2](#) Summary of REACH obligations on articles

3 Change History

Issue	Date	Change
1	2016-02-12	First issue.
2	2020-11-30	Updated website directions to Saab and text regarding GMS.

Owner
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Date 2020-11-30 Issue 2 Document ID **GMS-0429 App 1**
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Frequently asked questions (FAQ) about REACH



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1 General

The most frequently asked questions are related to obligations in REACH mainly concerning substances in articles. The questions are arranged according to how often they are taken up for discussion.

1.1 Definitions

First some important definitions:

Actors in the supply chain: means all manufacturers and/or importers and/or downstream users in a supply chain.

Placing on the market: means supplying or making available, whether in return for payment or free of charge, to a third party. Import shall be deemed to be placing on the market.

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Article: means an object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition.

Note An article may in turn be made up of an assembly of articles; according to this definition, metal sheets, bearings, engines, cars or aircraft are considered to be articles. Please note that sometimes it is difficult to determine whether something is an article or a mixture.

Downstream User: means a company established within EU, other than the manufacturer or importer, who uses a substance/mixture.
(A distributor is not a downstream user).

Recipient of an article: means an industrial or professional user, or a distributor, being supplied with an article but does not include consumers.

Mixture: means a mixture or solution composed of two or more substances.

2 Miscellaneous

[GMS-0429 App 2](#) shows, in a simplified way, the relationship between registered substances and substances on the so called candidate list (substances of very high concern - SVHC). Substances on the candidate list are most likely candidates for some further regulation, but not necessarily.

The most important regulations for Saab are the duty to inform customers on the presence of candidate substances in articles and the obligations in connection with the process of authorisation of substances (so called Annex XIV substances).

Once the European Commission (from now on referred as the Commission) has included the substance on the list given in Annex XIV of REACH and the defined sunset date has passed, the substance cannot be placed on the market for use or be used without the prior authorisation of the Commission.

More information on these issues, see [GMS-0429 App 2](#).

As reference material for the comments below of borderline cases and interpretations following sources have been used:

- ASD Interpretation guidelines (version 5 November 2018)
- ASD Position papers
- Information from the Commission and ECHA (European Chemicals Agency).

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3 Questions

3.1 How does Saab need to communicate information regarding substances in articles in the supply chain?

Communication with stakeholders in the supply chain is key to REACH compliance and the minimisation of potential risks to our business. Whilst the REACH regulation mandates the exchange of certain information, relying on this may put our business at risk, therefore Saab needs to take a more proactive approach. A major concern with REACH in our business is related to obsolescence and supply chain disruption of key materials and chemical products caused directly or indirectly as a result of REACH requirements. Another concern is increased cost of substances and the administrative burden as a result of REACH.

3.2 What is meant by proactive in this case?

We must not passively wait for the manufacturer of substances to contact us and ask about our use or assume that our suppliers of articles will provide us with information about the substances contained in the delivered articles.

Saab needs to:

- actively monitor that our use is listed in the registration dossier
- require that our suppliers deliver material declarations
- collect material declarations for components.

3.3 How shall the 0.1% concentration be interpreted?

As described in Annex 2 Saab must inform customers if any candidate substance is present in the article in a concentration above 0.1% w/w (which of course also applies to our suppliers).

According to a judgement of the Court of Justice of 10 September 2015 the obligation to inform customers applies to all articles supplied. It also applies to articles which are present in complex products (i.e. products composed of several articles or sub-components).

Key messages of the requirement to communicate information, available to Saab, on candidate substances can be summarized as follows:

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- Legacy parts are within the scope

Note The obligations also apply to articles which were produced or imported before the substance was included in the Candidate List and are supplied after the inclusion. Thus, the date of supply of the article is the relevant date.

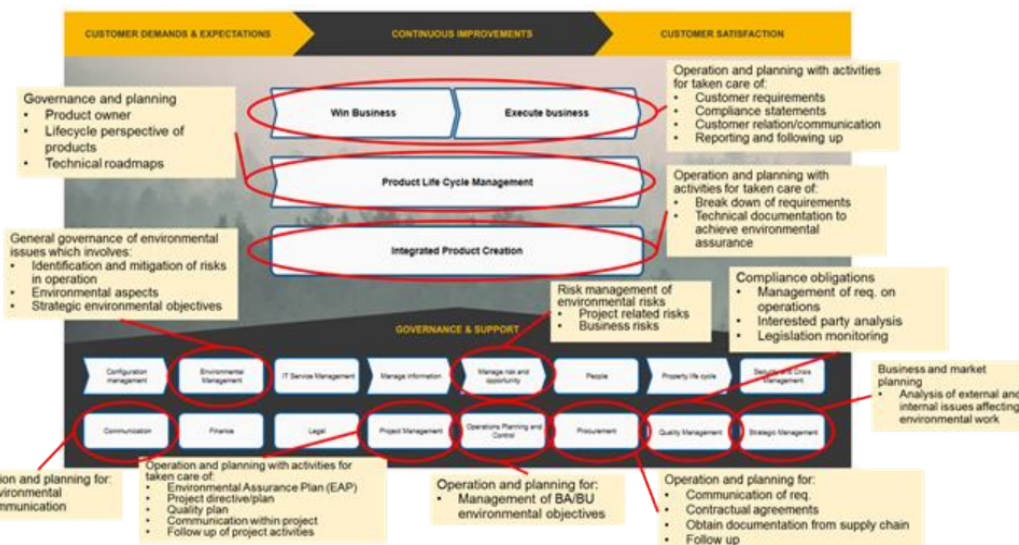
- Information must be forwarded directly after a substance has been included in the Candidate List, or the supplier becomes aware of it.

Note There is no obligation for declarations for articles being supplied to the recipient prior to a substance being added to the candidate list.

- No particular information is necessary to allow safe use of the article other than name of the substance in question has to be communicated, but we must be aware of “Duty of Care” considerations relating to product safety, and any other legal requirements.
- There is no exemption from this obligation possible and the obligation applies regardless of quantity of the substance in the article.

3.4 What is meant with information available to Saab?

The use of the term “is available” in the legal text leaves something to be desired in terms of clarity and there is no guidance from authorities on the level of effort that is needed to meet the “is available” criteria.



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To fulfill “the level of effort” Saab must be able to demonstrate that we have a well thought out and implemented way of working with this requirement. Our way of working is described in several processes in GMS (Global Management System) and the main activities are shown in the picture below.

3.5 How does Saab prepare to manage this requirement?

Saab must compile information on substances in articles to be able to produce a “Bill of Materials - BOM” for each product. This can be approached in a number of ways:

- review of drawings and specifications
- placement of a specific contractual requirement upon suppliers
- use of different standards available for information on substances
- use of commercially available sources for this type of information (i.e, IHS, BomCheck).

A project has been driven for some years to implement the compliance tool Eco Footprint in ERP. Eco-Footprint will support, store, track and verify compliance for substances in components and subsystems. It is integrated with IFS PDM and MPS system.

Systems to handle chemical products and product related environmental issues must be implemented in order to be able to manage the requirement of information on substances in articles. Saab uses SaabChem (iChemistry) and Eco-Footprint to handle these issues. If it is not possible to implement these systems, a similar solution shall be implemented.



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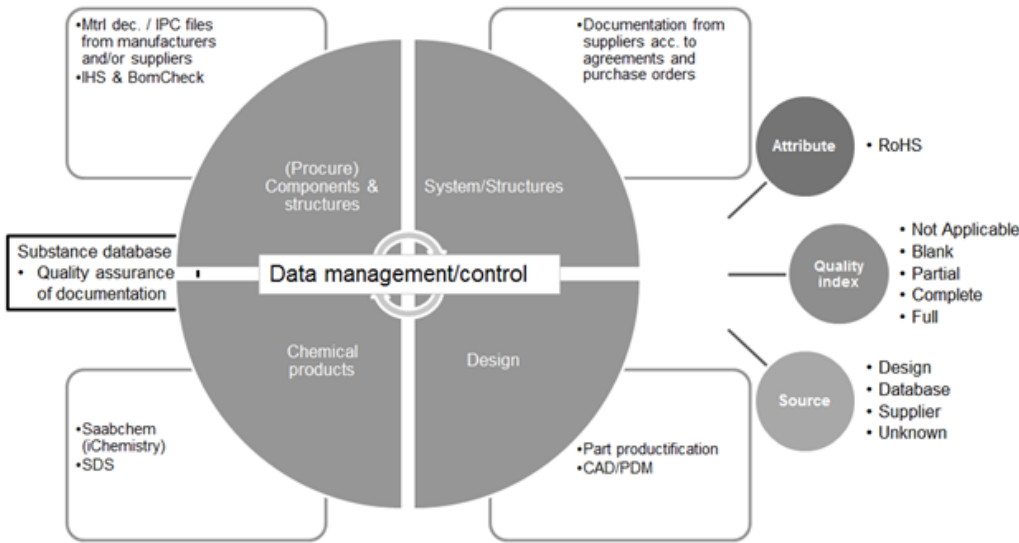
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Flow of information in a compliance tool:

ENVIRONMENTAL COMPLIANCE TOOL – PART OF THE CHAIN



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3.6 How does Saab handle the obligations in connection with the process of authorisation of substances and what is the situation at the moment?

On corporate level Saab follows ongoing activities, within the Commission and the European Chemical Agency (ECHA), mainly by participating in the REACH Working Group in the AeroSpace and Defence Association (ASD).

ASD has together with other industry organizations and with the Commission and various government agencies discussed process issues in connection with the authorisation of substances during the past year. The process today is too complex and costly for industry.

At the moment there is no decision taken with regard to transitional periods or the introductions of a simplified process for application of authorizations.

But the Commission will propose:

- an Implementing act to provide legal certainty on the simplified applications for authorisation for low volumes of chemicals and legacy spare parts
- extended sunset dates for uses in legacy spare parts of the Annex XIV substances concerned since it is not possible to adopt the implementing act before the sunset dates for some substances potentially used in legacy spare part.

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The use of the 'repair as produced'-principle, as referred to in other legislation (RoHS, ELV) with regard to legacy spare parts, seems not to be a way forward in the REACH regulation.

A summary of the obligations for Annex XIV substances are presented in [GMS-0429 App 2](#).

3.7 Can Saab use Annex XIV substances after the sunset date?

In the authorisation process, it is not substances as such that require authorisation, but the uses of those substances. Therefore, any use of an Annex XIV substance needs an authorisation after the sunset date.

The authorisation is company-specific, supply chain-specific and use-specific.

Applications for Authorisation have been submitted by chemical suppliers, as applicants, with the support of some industrial consortia for some Aerospace uses of some chromates. The European Commission's decisions on the CCST and GCCA Authorisations have been adopted and their summary has been published in the EU Official Journal. For chromium trioxide and the CTAC Applications, The European Commission's decision has not been adopted yet. Downstream users can continue using chromium trioxide after its sunset date (September 2017), awaiting for the European Commission's decisions.

Despite this it is important to notice that Saab's policy is that these substances must be phased out in manufactured and also in purchased products as far as is technically feasible and economically reasonable. There are many reasons for this, for example to minimize the risks in the work environment, the risk of obsolescence of process chemicals and the risk of increased cost. It should also be noted that in many cases the customer requirements are more difficult to comply with than the legal requirements.

In the case that Saab still needs to use some of these substances in critical applications we need to ensure that our suppliers comply with REACH and that they have an authorisation that covers our use.

For production and use of legacy spare parts the situation, as mentioned above, is not yet clear. For this type of product we will most likely be able to use Annex XIV substances for some years after the sunset date without any authorisation. After the transitional period applications can be made in a simplified way.

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3.8 Can Saab use articles without an authorisation?

Articles produced or purchased before a sunset date can be used without an authorisation since the use of the article containing an Annex XIV substance is not a use of a substance.

There is a need to apply for the use of a substance but not for the use of articles containing the substance.

Imported articles can always be used since the substances listed in Annex XIV, which are an integral part of articles, require no authorisation. However, substances in imported articles can still be subject to a restriction in accordance with REACH Annex XVII.

4 Change History

Issue	Date	Change
1	2016-02-12	First issue.
2	2020-11-30	Information regarding authorisations on chromatates has been added. Updated version of ASD Interpretation guidelines and picture regarding GMS.

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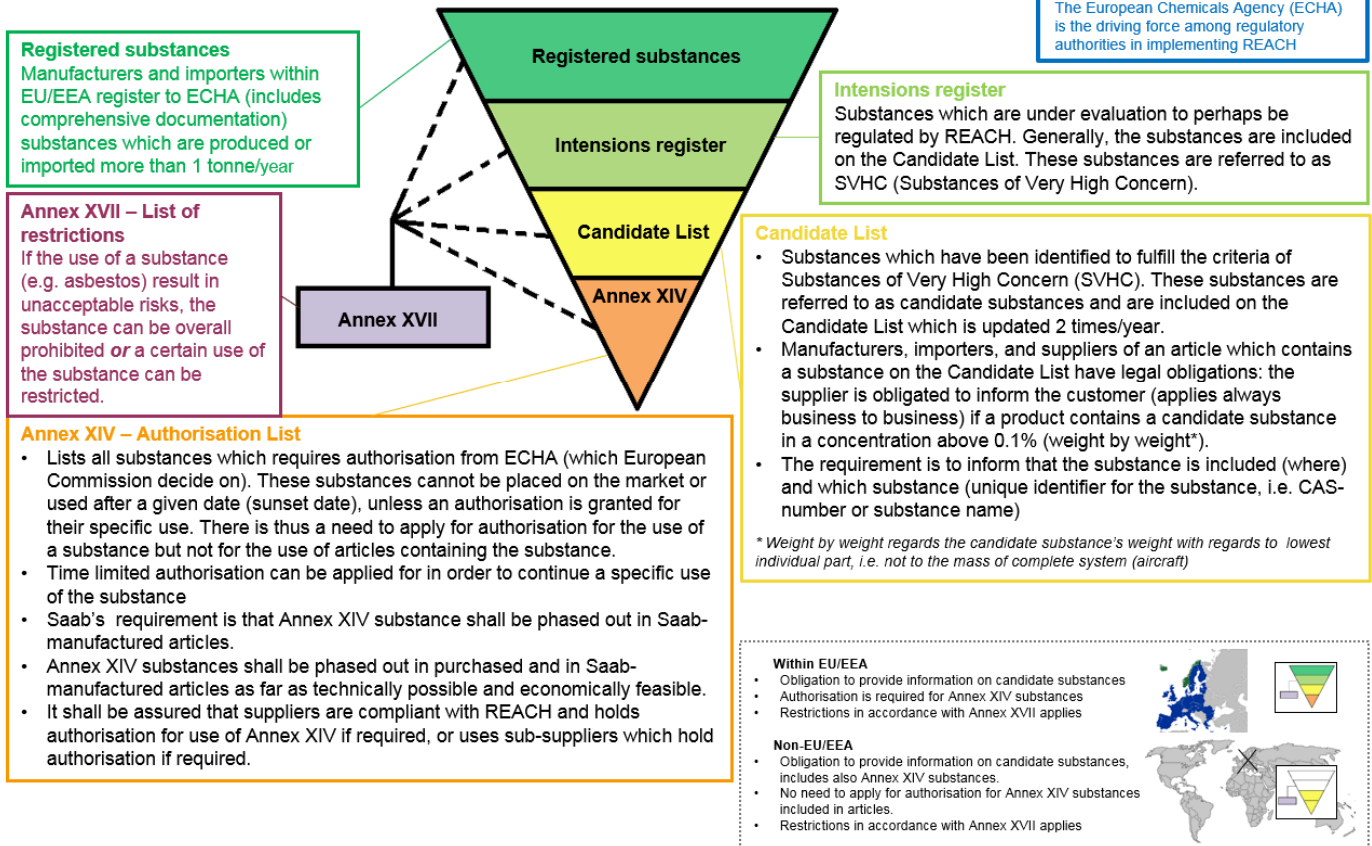
Date 2016-11-01 Issue 2 Document ID **GMS-0429 App 2**
 Classification Company confidentiality
COMPANY RESTRICTED
 Classification Defence Secrecy
NOT CLASSIFIED
 Replaces

Title

Summary of REACH obligations on articles



Executive summary of EU regulation **REACH** and its article related requirements Registration, Evaluation, Authorisation and Restriction of Chemicals



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Change History

Issue	Date	Change
1	2016-02-12	New document.
2	2016-11-01	Changed interpretation of Annex XIV substances and the use in articles.