

3 Products that are well documented and that comply with regulations

Strategy

- Managing centrally the Group's information and knowledge on the products and their uses, and ensuring compliance with regulations.
- Sharing our expertise and pooling our data within assessment programs coordinated by trade associations.

Nearly 600 chemicals, 4,000 polymers, and pharmaceutical products manufactured by the Group are covered by Solvay's policy on product knowledge and risk control in relation to their applications. The policy takes account of the results from international risk-evaluation programs and relevant legislation.

The High Product Volume (HPV) worldwide voluntary assessment program of the International Chamber of Chemical Associations (ICCA) relates to 60 substances produced by Solvay. The program covers some 1,000 substances in total, whose worldwide production exceeds 1,000 tonnes a year. Solvay is coordinating studies for 16 of them.

There are also 19 substances produced by Solvay – either new or existing products, notably biocides – that have been studied in relation to EU regulations. In addition, associations such as AISE (for detergents in Europe), CEFIC (for the European chemical sector), PlasticEurope and Euro Chlor (for chlorine and derivatives, and caustic soda) carry out assessments of risks associated with the use of relevant products.

Over 300 pre-registration dossiers have been submitted for the Group, in connection with the European Union's REACH Regulation. The REACH Regulation does also cover "articles" (finished products) when they contain hazardous substances above specific threshold concentrations. In that case, notification to the European Agency of those substances is required. Products manufactured outside the EU exclusively for non EU markets are not covered by the REACH regulation.

The Group has established a worldwide organization in order to fulfill each of the REACH obligations for all the products and their applications, and for all the activities relating to production, import, marketing and use. The arrangements will also check on the future availability of products that are bought in. There is, indeed, the risk of a supplier choosing not to register a substance that is essential to one of our production activities, for example because simply of the cost of the procedure relative to the income obtained from selling the substance ■

Targets for 2012

- Communicating product information of Ecoprofile-types(*) to customers for:
 - any existing major product
 - any product with critical characteristics (in relation to sustainability)
 - any new product
- Fulfilling all the obligations associated with implementation of the EU's REACH Regulation on chemicals.
- Obtaining supplementary knowledge of the conditions under which our products are used, so as to assess any associated risks.
- Assessing the environmental risks associated with their excretion by patients in domestic wastewater, for all our pharmaceutical products.

(*) Ecoprofile : inventory of emissions into the environment associated with raw materials and manufacturing

The EU's REACH (Registration, Evaluation and Authorisation of Chemicals) Regulation

The Regulation was adopted by the European Union in late 2006 and it introduced a new system for managing chemicals. This will, by the end of a transitional period, supplement or replace the previous 40 or so Directives and regulations that relate to chemicals.

There is an internal global organization to manage the Solvay program in this area, relating to both our own products that need to be documented and registered, and bought-in materials for which future availability depends on registration by their producers.

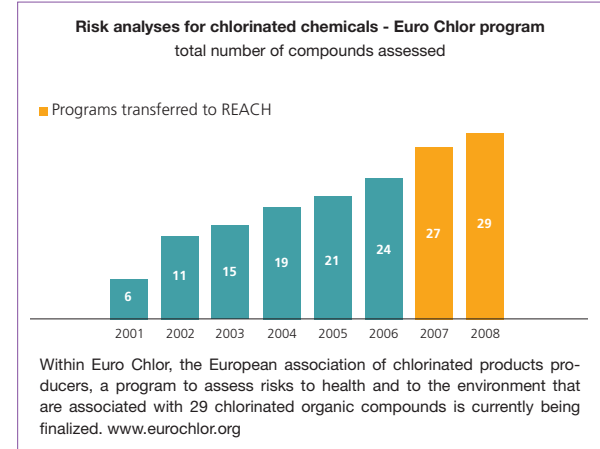
By the end of 2008, our products will have been pre-registered, in compliance with the new requirements for all substances marketed within the EU before 1981 and of which over one tonne a year is either manufactured or imported. A comprehensive registration dossier including an assessment of risks to health or to the environment, together with production data and a list of the various conditions in which the substance is used, will then be submitted to the European Chemicals Agency in accordance with a timetable related to the substances' intrinsic properties and the volumes marketed.

Some substances, because of their particularly hazardous intrinsic properties (carcinogens, mutagens and substances that are toxic to reproduction), or because of major risks associated with their use, may require authorization. In order to obtain an authorization, the applicant will have to show that the substance has significant social or economic advantages, or that its use is limited to specific professional uses, and that the risks associated with the substance's production and uses are sufficiently controlled. Replacements for these substances will progressively have to be found wherever this is technically and economically possible.

Environmental impact assessments now required for pharmaceutical new products

Pharmaceutical products taken by patients tend to end up in domestic waste water. While urban sewage works eliminate the largest part, very low concentrations of some drugs are found in surface water, and they have been detected in drinking water in some regions. This question of environmental impact is complex, and both the United States and the European Union now impose obligations relating to the procedures for putting new medicinal products on the market. Guidance documents have been published, and new recommendations are expected.

Going beyond what is prescribed by the regulations, Solvay Pharmaceuticals is going to carry out assessments of environmental impact for all the company's products, including those already on the market, and has planned appropriate studies for the coming years.



REACH and our customers in the plastics industry



For Walter Claes, Health and Safety Director of EuPC*, the EU's REACH Regulation for chemicals needs to be demystified; this is a perfectly manageable challenge. The 50,000 plastics-converting firms represented by his organization, most of which

are SMEs, have up a list of substances they use at any stage in the production sequence.

"The spirit of REACH then requires that they communicate effectively both within each firm and outside, including both customers and suppliers. All the departments involved need to be properly informed about what they have to do, and they need to act in a coordinated manner," he says. Walter Claes is convinced that ensuring better health protection and limiting the environmental impact of the substances and preparations manufactured or imported will, in the long term, benefit the whole European industry.

(*) EuPC is the European association of plastics converters, bringing together national and sectoral federations in that industry.

