

The timing of the REACH?

Now in force

REACH came into force on June 1st 2007

Registration

All existing chemical substances manufactured or imported in a quantity exceeding 1 tonne per year have to be registered. Registrations take place over an 11-year transitional period.

Substances manufactured/imported in large volumes should be registered with a high priority while those manufactured/imported in small volumes need to be registered towards the end of the period.

Authorisation

It is expected that a list of the first substances that require authorisation will be released in the summer of 2009. The precise list of these identified substances will be published in Annex XIV ¹⁾ of REACH. We anticipate that in 2009, there will be around 10 substances included on this list. Thereafter, this list is expected to increase gradually with 20 additional substances each year.

TIME LINE FOR REGISTRATION



* Substances classified as dangerous to the environment
**Substances classified as Carcinogenic, Mutagenic or toxic to Reproduction

Hempel estimates that the authorisation process for a single substance will take approximately 2 years. Consequently there is unlikely to be any legal restriction of substances that will require authorisation before 2011.

A „candidate list“ of substances that may be subject to authorisation will also be published. This list will serve only to propose substances that may fall under the specific provisions of authorisation.

¹⁾ List of substances subject to authorisation

Contact

Hempel is constantly seeking to learn more about our customers' specific use patterns in order to improve our services and focus on the development of our products. In this way we can devote our efforts to meet these demands.

With REACH, it is particularly important to communicate precise information on the working conditions that are appropriate in your workplace. It is also necessary to carry out risk management measures, which will ensure the safe application of our products.

Should you feel that your methods of application and working conditions are not sufficiently addressed in our technical product data sheets, or that your risk management measures differ from those recommended in our safety data sheets, please do not hesitate to contact us.

E-mail for enquiries about REACH: reach@hempel.com

Other enquiries: Hempel@hempel.com

More information about REACH

For more information about REACH please visit the Hempel website, www.hempel.com. Details about REACH are provided under R&D, REACH.

Hempel supports the protection of our environment through policies and actions. We work actively to reduce any adverse impact on human health and the operating environment, within the limits of sound economics and currently available technologies.

www.hempel.com

HEMPEL A/S

Lundtoftevej 150
DK-2800 Kgs. Lyngby
Tel:+45 45273060
Fax:+45 45885518
E-mail: reach@hempel.com



**Hempel adopts REACH
- EU's new
chemicals legislation**

REACH

Registration

Evaluation

Authorisation

CHemicals

HEMPEL

HEMPEL



What is REACH?

REACH is the EU's new chemicals legislation, which has an impact far beyond just the production of chemical substances. Every company in the European Union that manufactures, imports or uses chemical substances will be within the scope of REACH.

REACH has been in force since June 2007, striving as its main goal to communicate how the thousands of chemicals that surround us in our everyday lives can be used safely.

Hempel takes the lead when it comes to environmental responsibility and this is reflected in company policy on health, safety and the environment. Hempel is fully committed to play an active role in REACH and already considers its future obligations so that the products you choose now meet future REACH requirements.

What are the main objectives of REACH?

Fundamentally REACH pursues three objectives:

- To secure a high level of protection of human health and the environment
- To maintain competitiveness of the European industry and prevent barriers to free trade
- To improve on the transparency of information for customers and other users of chemical substances

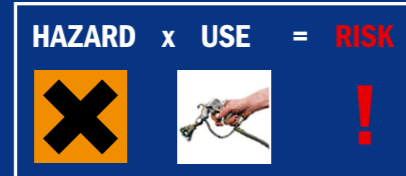
How will REACH meet these objectives and what necessary steps is Hempel taking?

Registration of chemical substances

Registration is the formal procedure of producing and submitting data about chemical substances to the authorities. The information must demonstrate that the chemical substance does not present any unacceptable risk to human health and the environment. This process is based on a risk assessment. A risk assessment consists of two key elements: information about the hazardous properties of a substance and information to specify the uses of that substance.

If a specific use of a substance has not been assessed then the use of that substance is not permitted for that application.

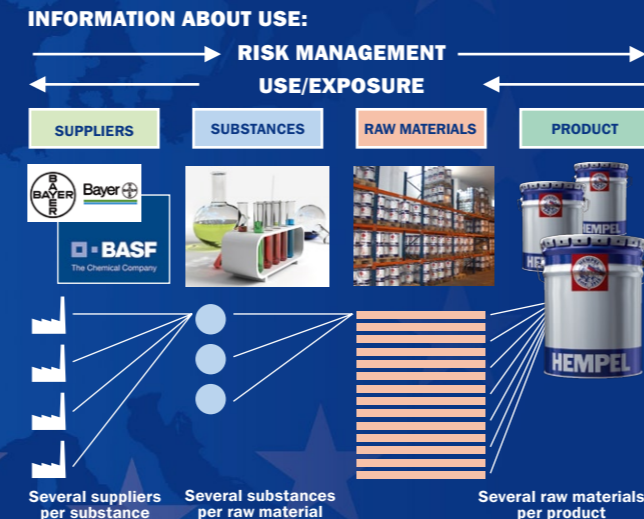
If for instance a substance has been registered to be applied with brush and roller only, that same substance cannot be applied with spray equipment.



Hempel's role in the registration process

Hempel prepares for the registration process through mutual communication with our customers and raw material suppliers. A continuous dialogue with our customers and their organisations increases our understanding of their needs and uses of our products. Communication with our suppliers on the other hand ensures that customer information about the uses of Hempel products is accounted for when these suppliers assess the risk of their substances prior to registration.

Going about the registration process in this way, Hempel seeks to ensure that our customers do not have to worry about whether the products they buy have been registered for their specific uses.



Evaluation of chemical substances

Evaluation is the authorities' tool to scrutinise registered information. Evaluation furthermore covers the authorities' right to regulate the use of specific substances.

Hempel's role in the evaluation process

Hempel is collaborating with national and European authorities in order to follow the political process at close hand. This consequently prevents Hempel from being caught by surprise by substances suddenly banned or restricted in their use. A technical dialogue with the authorities on both a national and European level also ensures that ours and our customers' needs are accounted for when important decisions related to specific substances are being taken.

Authorisation of substances of high concern

The **authorisation** rules are included in REACH in order to ensure that substances of particularly high concern are given extra attention. Substances falling under the scope of authorisation will need permission for each specific use they are part of. Permission may be granted by the authorities upon a submitted application by the manufacturer for a particular substance.

Hempel's role in the authorisation process

Hempel identifies substances that may be included in the list of substances which will require authorisation. Using this list as a basis Hempel is able to plan for individual substitutions - an action strategy for each such identified substance.

Hempel adapts to the consequences of REACH.

Some substances will have to be taken off the market by the authorities because they are found to pose an unacceptable risk to human health and/or the environment. It is expected that others will be withdrawn from the market by the manufacturers themselves since the costs of registering them will exceed the revenue from their sales.

The consequence for users of such substances who are unprepared will be that they have to cease manufacturing products containing these substances.

Hempel however has chosen to take this as an opportunity to improve our ability to adapt at short notice. Consequently Hempel has developed an effective strategy of adapting to future market changes through strengthened innovation in the product development.

It is anticipated that some raw materials will disappear from the market.

Innovation makes it possible to adapt rapidly to sudden market changes.

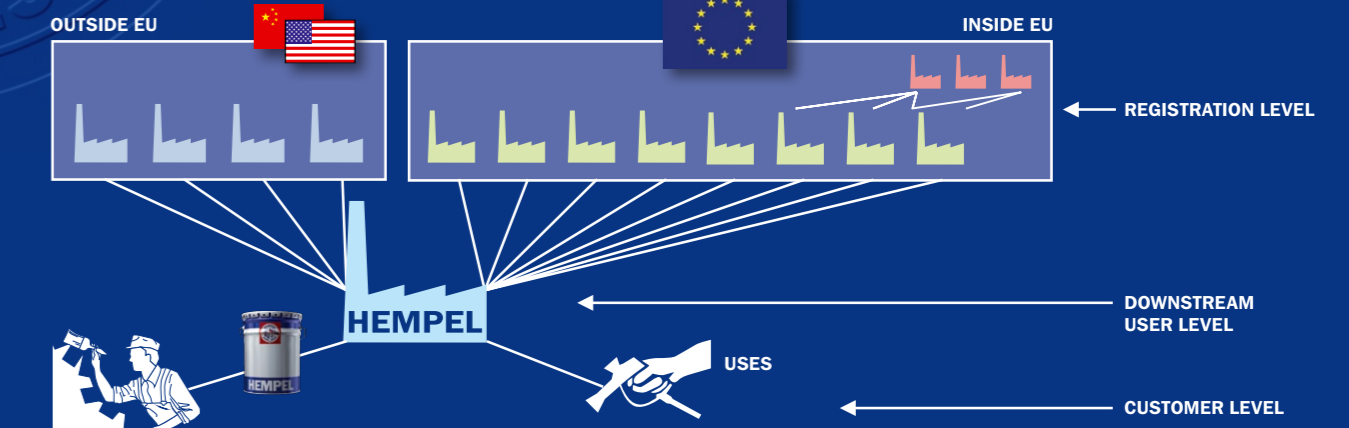
Using Hempel's products inside the EU

For customers using Hempel products professionally within the EU, there will be certain obligations to REACH. Primarily they will have to comply with the recommended risk management measures and the conditions set out by REACH assuring the safe use of our products. The risk management measures and conditions for safe use will be communicated to all our customers in the form of an exposure scenario, as an appendix to the product's safety data sheet. When applying the paint in accordance with our recommendations and under the prescribed conditions, you fulfil your REACH obligations.

However, should you apply the paint using less strict risk management measures than recommended or under different conditions than those prescribed in the exposure scenario you are required to act according to REACH. In such a case you should revert to Hempel and inform us in what way the paint has been used differently than recommended and explain how the paint can be applied without exposing the user to unnecessary risk.

Hempel is constantly striving to learn more about our customers' needs and requirements so that we can expand our knowledge of the use of our products. With regard to REACH, Hempel will provide our customers with exposure scenarios that most closely reflect their uses. By doing this we also ensure that our customers are not faced with unnecessary requirements, thus making compliance with REACH as simple as possible.

HEMPEL IN THE SUPPLY CHAIN



Using Hempel's products outside the EU

Since REACH is an EU regulation there will normally be no restrictions imposed when you buy Hempel products outside the European Union.

However in some special cases you may act as an importer of our products. This applies, for instance, in cases when you bring paint aboard your ship for maintenance in a harbour outside the EU. If the ship is owned by a European ship owner this is equivalent to importing a chemical product into EU territory. In such a case REACH applies to full effect.

Hempel will seek to ensure that in such cases we can provide our customers with products that fully comply with REACH even though bought outside the European Union.

If you believe such a case may apply to you, please do not hesitate to contact us (reach@hempel.com).