



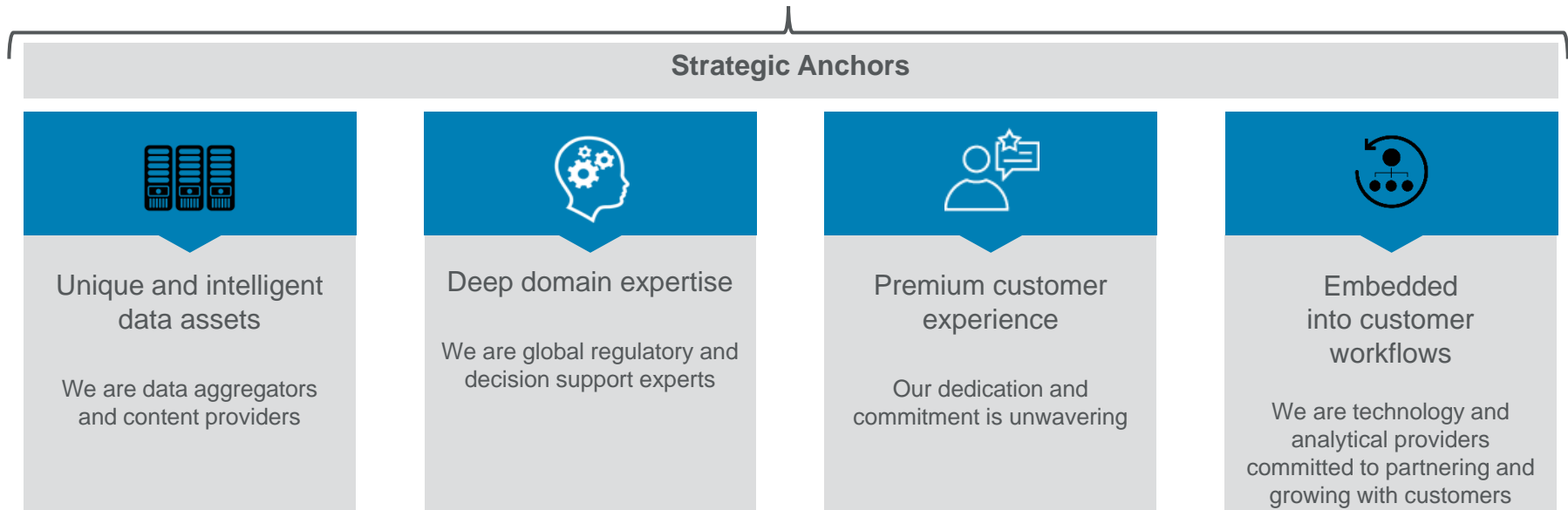
Ensuring Compliance While Managing the Challenges of Supplier Collaboration and Data Transparency

Marcel Bömer

July 21, 2022

Who is 3E?

Intelligent compliance. Sustainable progress. **A safer world.**



Why Do Customers Choose 3E?

Unique Data Assets

24-7-365 Support

Accuracy & Quality

Depth & Breadth of Solutions

Unparalleled Experience & Expertise



Today's speaker

Marcel Bömer



- 15 years of experience in the chemical industry
- 10+ years experience in leading EHS/ESG teams and building up supply chain compliance solutions & services
- Background in Chemistry
- Stations at Bayer AG, Würth AG, GS1 Germany
- Several EHS degrees like DG Safety Advisor, Hazardous Substances Safety Advisor
- At 3E, helping customers keeping up with regulatory compliance & monitoring, comply with current EHS/ESG regulations, authoring safety data sheets on a global scale with or without SAP or ensuring regulatory compliant supplier data all along the supply chain



Today's Agenda

Agenda

- Overview on the Global Supply Chain
- Assess Supply Chain Compliance Challenges
- Managing the flow of information throughout your supply chain
- Keep your Supply Chain processes aligned with (Regulatory) Changes

! Please save your questions for the Q&A at the end





Overview on the Global Supply Chain

The Global Supply Chain



Raw Materials /
Substances



Components



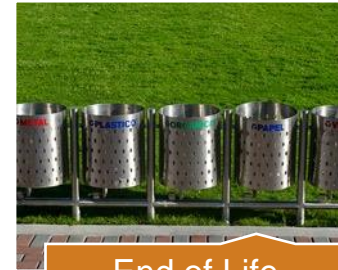
Finished Goods /
Products



Distribution /
Retail



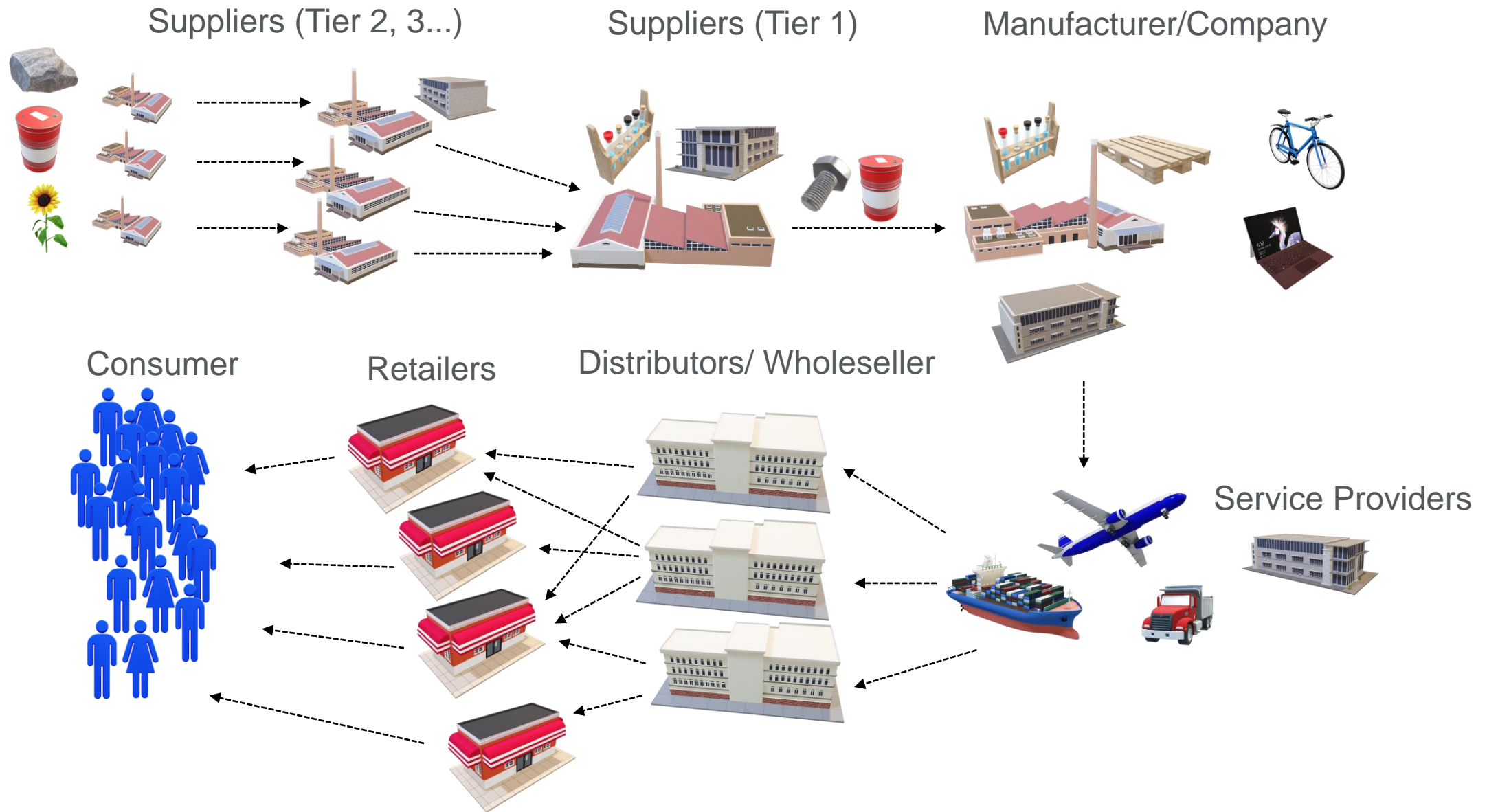
Consumer



End of Life
Disposal



The Global Supply Chain - a closer look..



Supply Chain What can have Impact?

Global chemical, substance and material regulations

Customer surveys and questionnaires

Shifting and emerging industry standards

Material regulations that expand beyond chemical compliance

Emerging ESG Initiatives

Non-government organizations (NGO) and consumer pressure

Supply Chain Management



The Global Supply Chain



← Many Stakeholders Manage The Flow Of Information →

„Is this Screw Driver free of conflict minerals? And what about SVHCs in the handlebar?“

„Can I ship this box of hairspray cans as Limited Quantity exempted?“

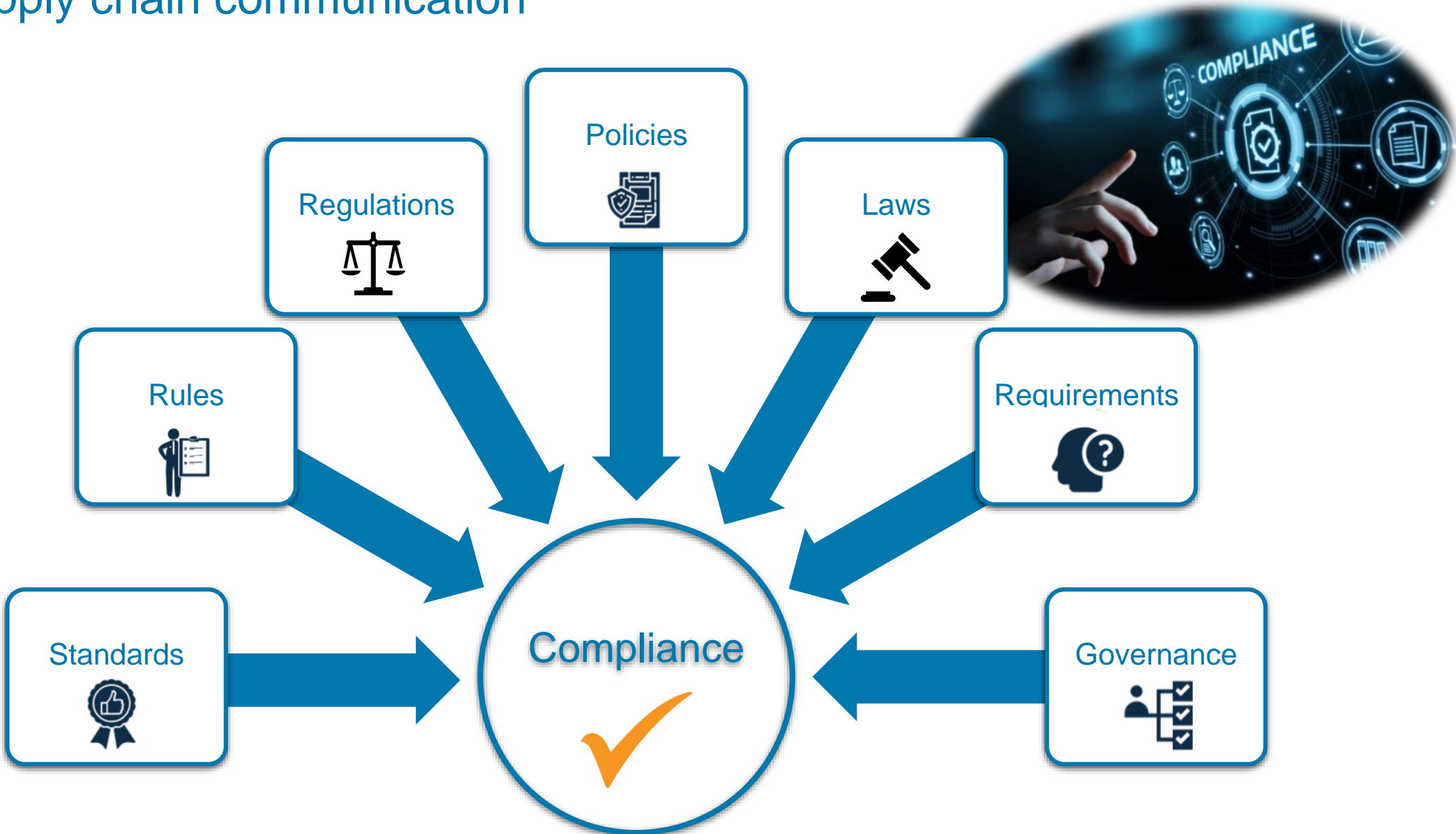
„My customer wants to ship this Resin to India. Can we confirm its compliant with Import Regulations?“

„What is the correct waste disposal code for North-Rhine Westphalia (Germany) for this contaminated cans?“

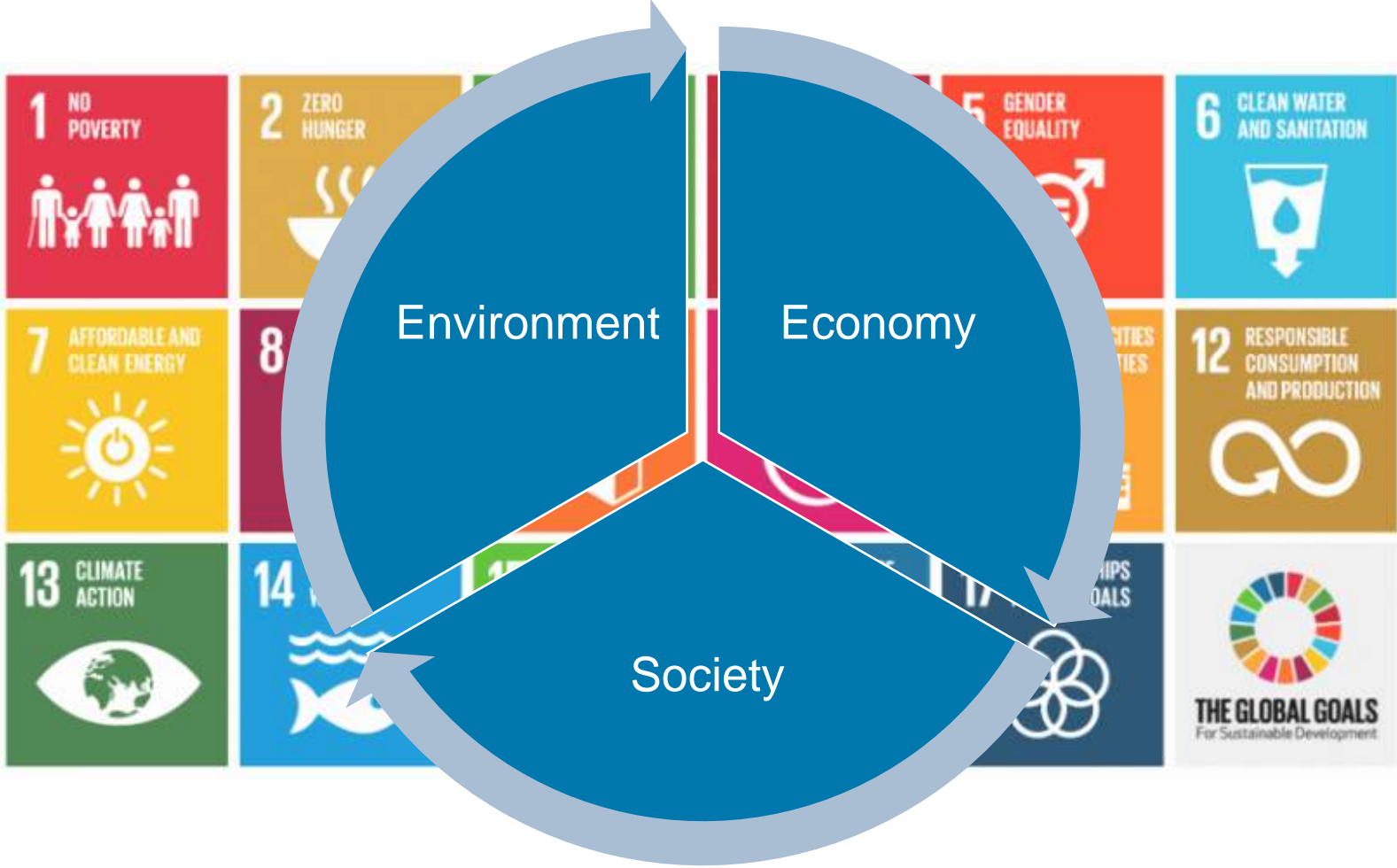


Assess Supply Chain Compliance Challenges

External (regulatory) influences on Supply chain communication



We all make an impact - Supply Chain Aligning with UN Sustainable Development Goals



The Global Supply Chain – ESG is Key



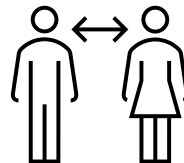
← Many Stakeholders Manage The Flow Of Information →

Environment



Green House Gas Emissions
Circular Economy

Social



Product Safety Requirements
Workplace Safety Requirements

Governance





Regulatory Compliance Management
Supply Chain Compliance

Supply Chain Compliance Challenges (1)



Supply Chain Compliance Challenges (2)

-  Insufficient regulatory knowledge
-  Lack of time and resources
-  Too many suppliers, not enough resources to manage
-  Multilingual limitations
-  Limited automation, compliance check & reporting capabilities
-  Inability to access/use existing data
-  Difficulty managing regulatory changes

Consequences of non-Compliance

Diminished
Market Share

Revenue Loss

Brand Damage

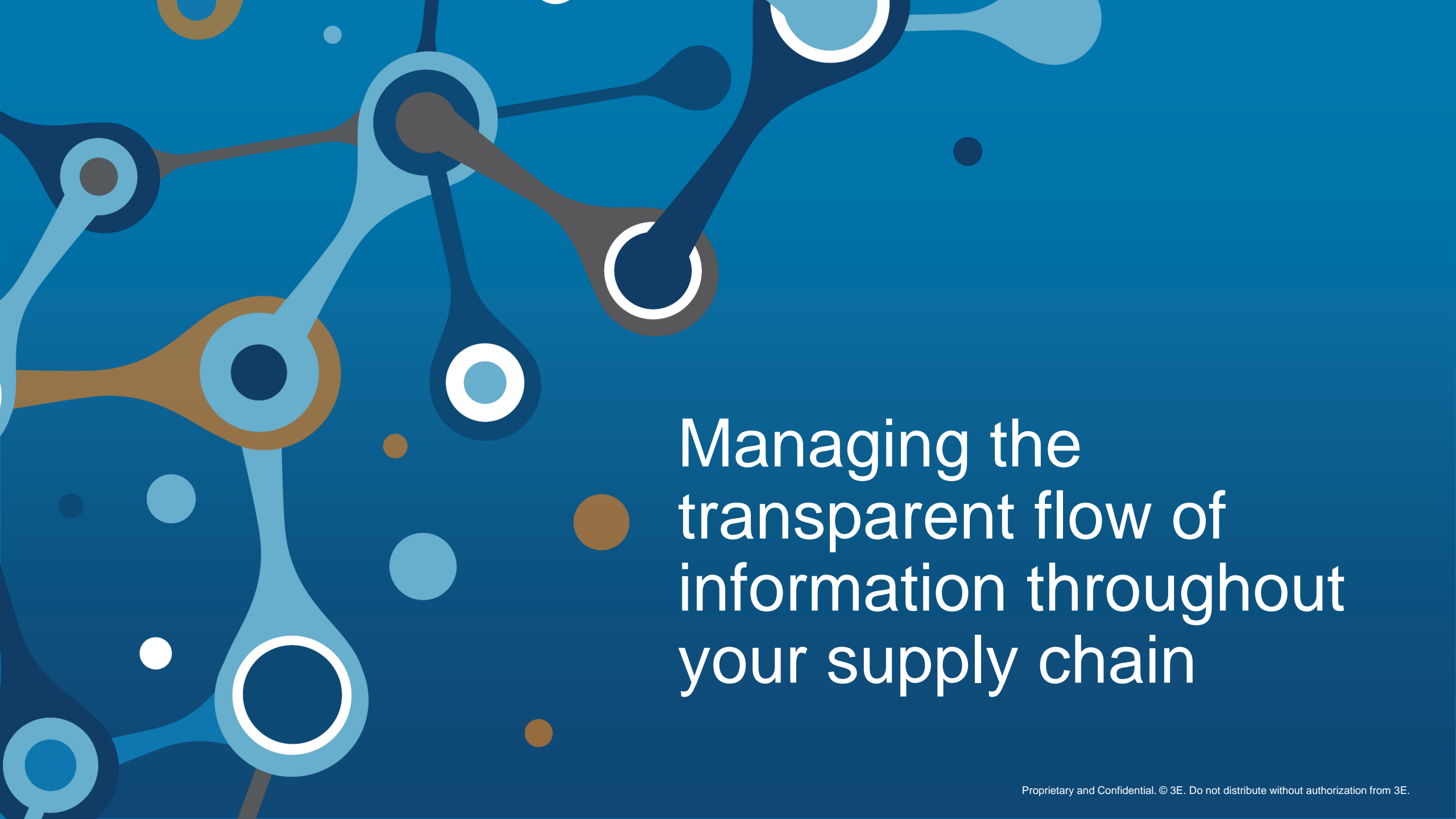
Recalls

Production Delays

Stopped
Shipments

Fines

Resource
Constraints



Managing the
transparent flow of
information throughout
your supply chain

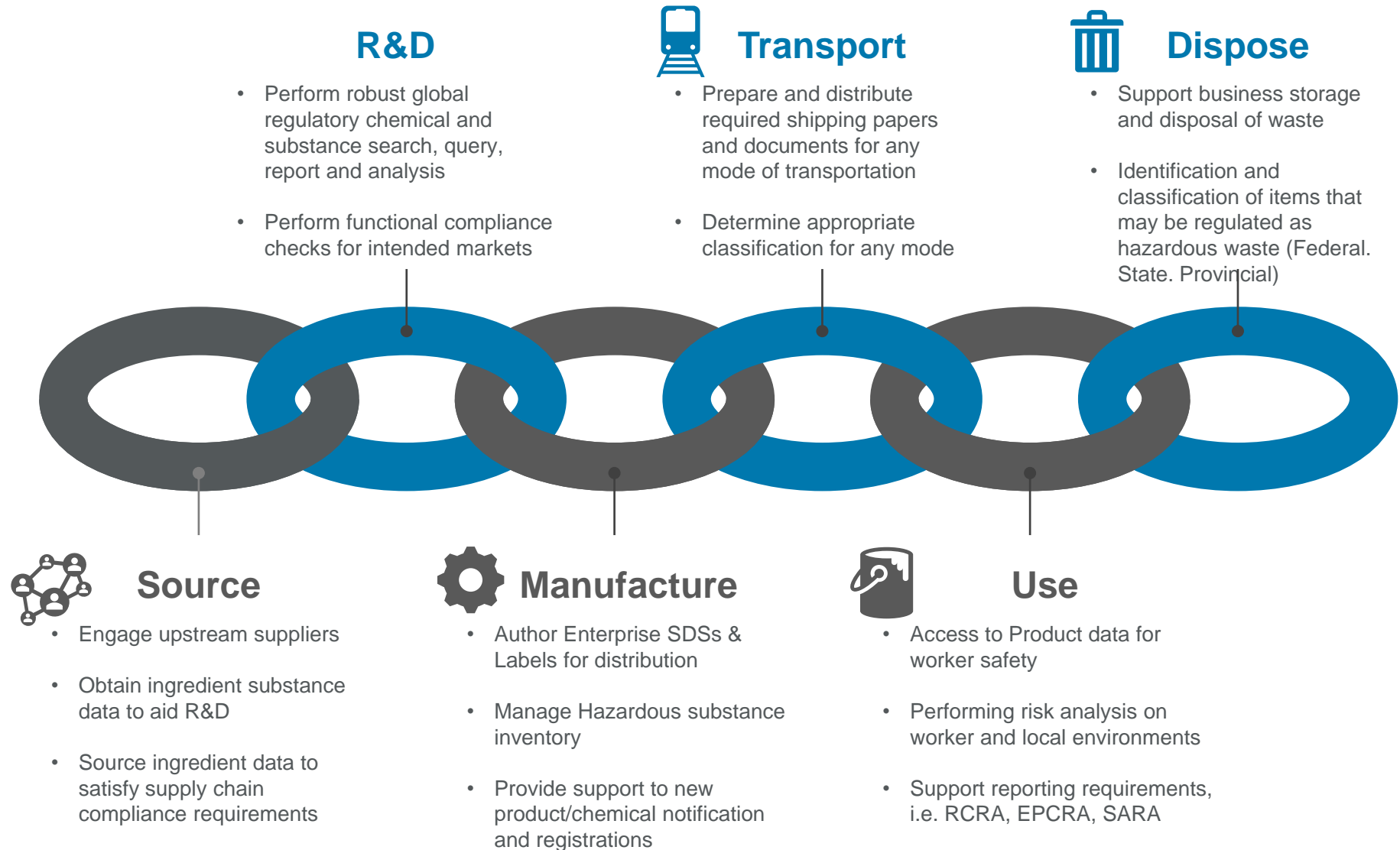
Internal & External Impact of Supply Chain Processes

Processes that
are impacted
by supply
chain
communication

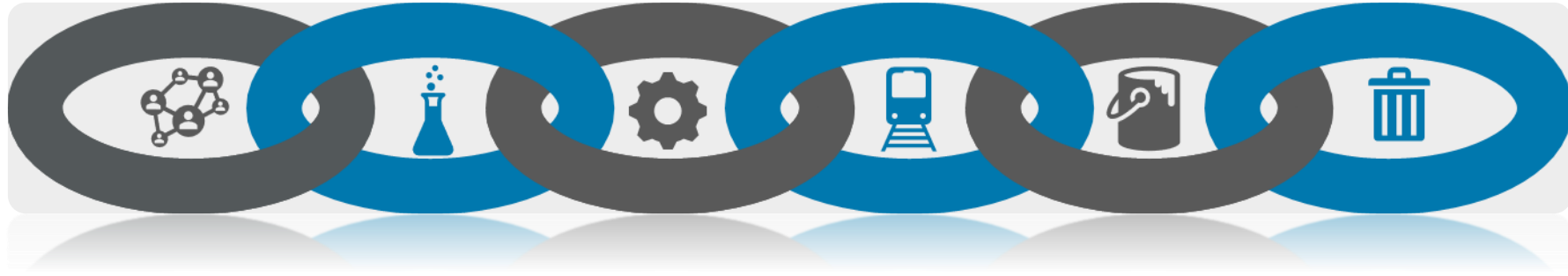
- R&D on new Products
- Product Approval Processes
- Manufacturing activities and Sites
- Purchasing and Import processes
- Sales and Marketing Processes
- Shipping and Exports
- Waste Management/Recycling
- Program Management
- SDS and other Compliance Documents Authoring
- Internal & Downstream Information Management

Need of accurate supplier data across the Organization

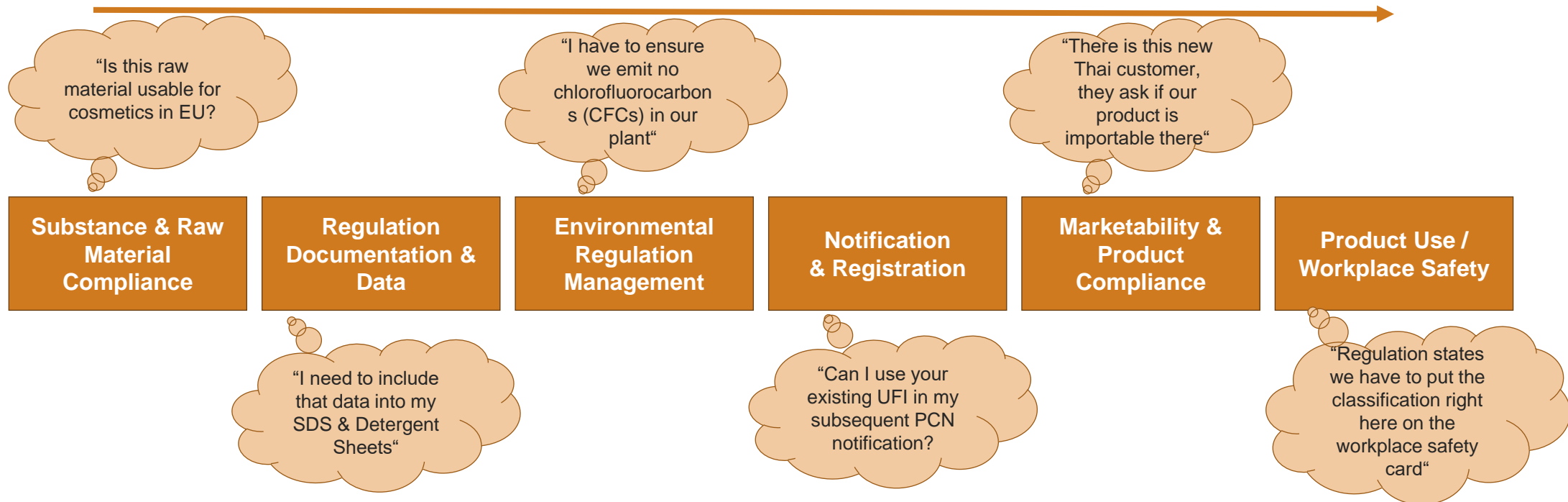
Cross-Functional Work-Flows: Vertical Integration



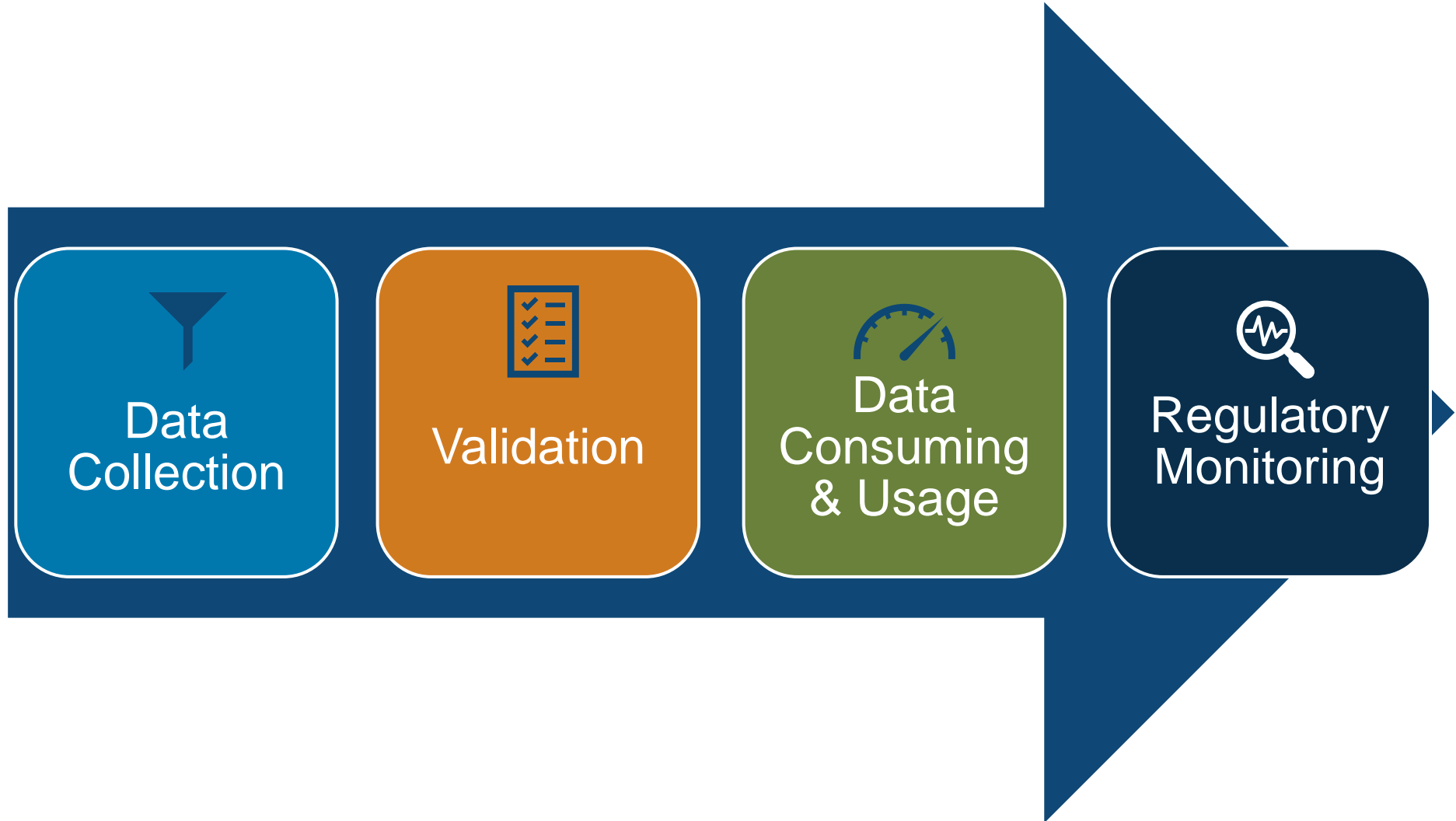
Different processes in need of accurate supplier data



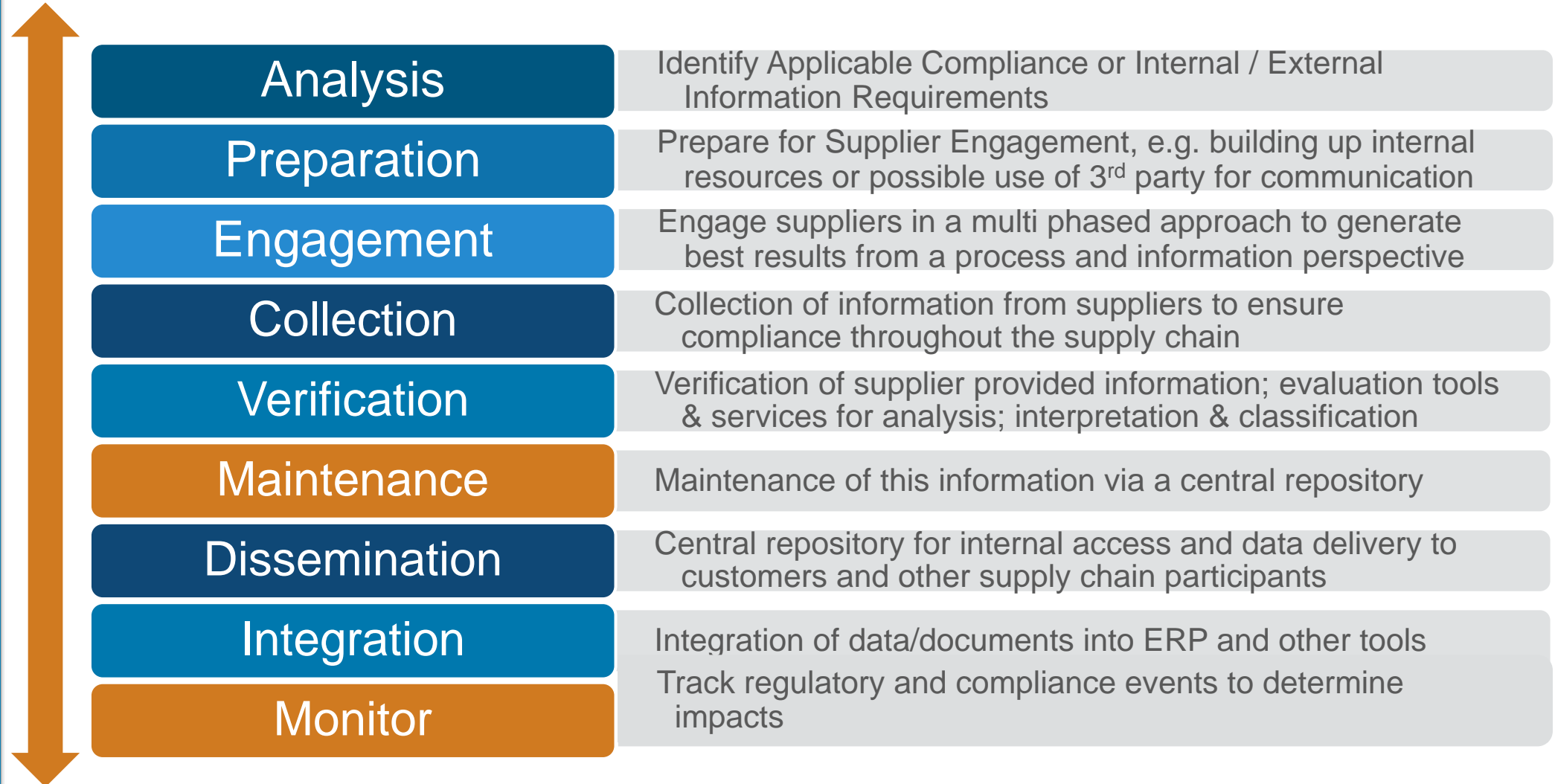
Which processes require input from suppliers?



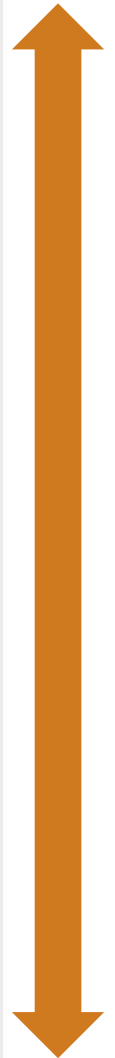
How can we equip ourselves to address the challenge of supplier data sourcing?



Overview of a holistic Supplier Communication Process



Trusted 3rd party drives compliance under NDAs..



Preparation	Prepare for Supplier Engagement, e.g. building up internal resources or possible use of 3 rd party for communication
Engagement	Engage suppliers in a multi phased approach to generate best results from a process and information perspective
Collection	Collection of information from suppliers to ensure compliance throughout the supply chain



Trusted 3rd parties (like 3E) can help with sourcing more in depth supply chain data (like 100% recipes) and check those for reg compliance –providing you with compliance status only; without compromising your suppliers IP





Keep your Supply
Chain processes
aligned with
(Regulatory) Changes

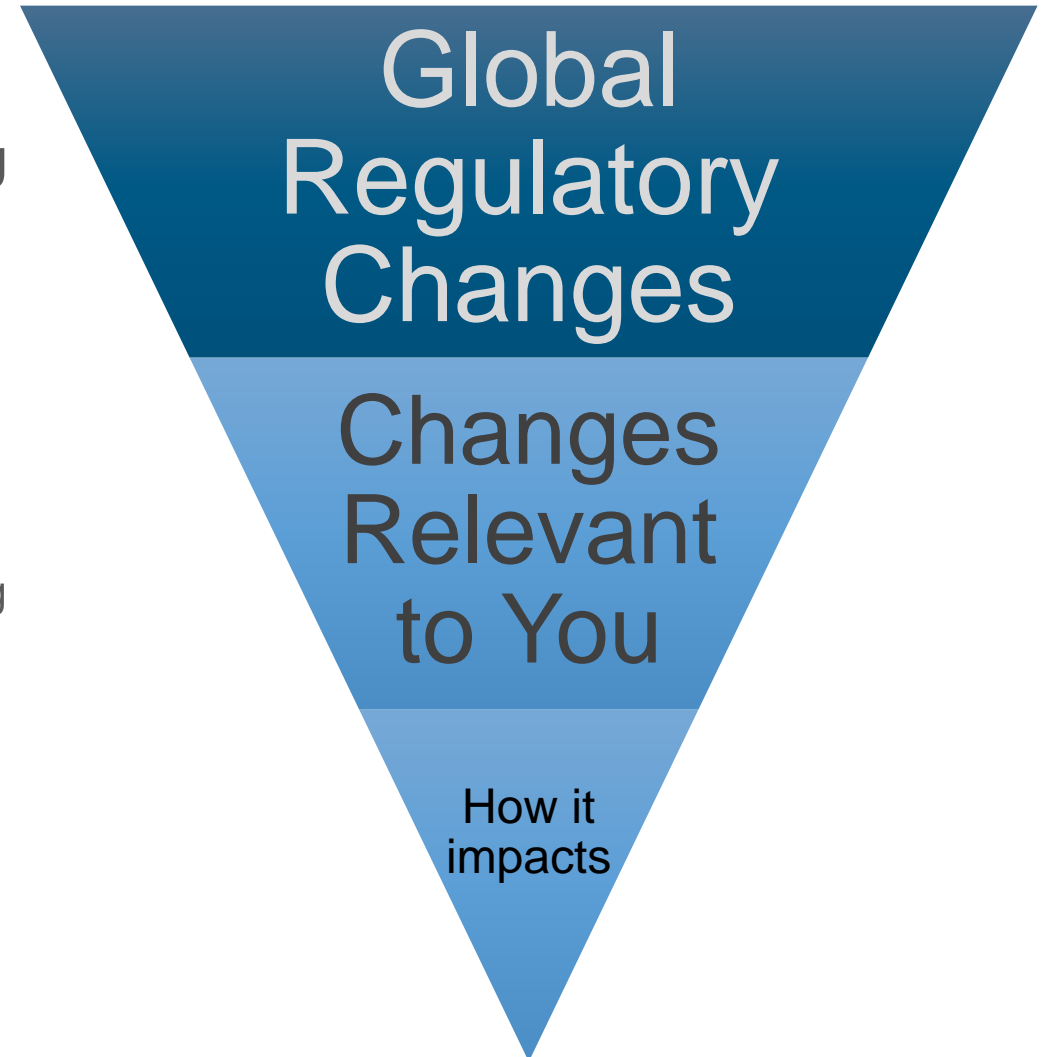
Identify Relevant Change

Not all (regulatory) changes are equally important.

The key to successful (regulatory) monitoring is identifying events that have an impact on your organization

- Ask yourself:

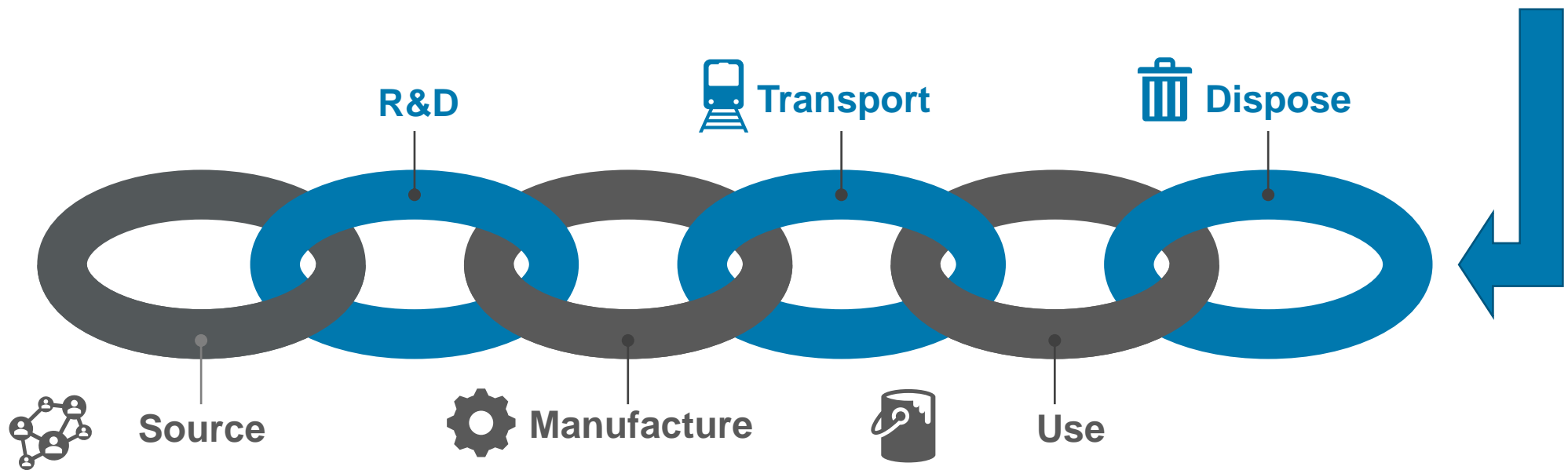
- Are you in a highly regulated space?
- In which jurisdictions do you currently sell?
- Are you looking to expand beyond those existing markets?
- Who do you sell to?
- What is your organization's risk tolerance?
- Is Corporate Social Responsibility a strong focus?
- Are there any considerable standards in your industry?
- What resources and budget are available to support compliance?



Yet unknown impacts on your Supply Chain

- Use (regulatory) monitoring as a tool to identify what may be coming and prompt your organization to ask the right questions
 - What impact will this have?
 - What options are available?
 - What actions will we take?
- Unforeseen events will happen
 - Black Swan Events (COVID-19, War in Ukraine, Natural disasters due to Climate change)
 - Advances in technology
 - Consumer preferences

Applying a Process for (Regulatory) Monitoring



How Verisk 3E Can Help



3E Protect

- End to end SDS and chemical management, including:
- REACH Impact Analysis
- Ongoing Inventory Management and Volume Tracking
- Supply Chain Communication

**SDS & CHEMICAL
MANAGEMENT**



[Click Here](#) to try 3E Protect



3E Connect

- Evaluate the compliance of upstream suppliers
- Respond to information requests from downstream customers
- Supplier and product level data
- Assess compliance at the raw material and supplier level

**SUPPLY CHAIN
COMPLIANCE**

Five Key Takeaways

- Always be aware of your position in the Supply Chain and your associated responsibilities towards customers, company and suppliers
- Whilst ESG topics are emerging, „Classical“ PS & EHS topics and regulations like Raw Material Compliance, Marketability & Product Compliance and Workplace Safety remain to be Key drivers for Supply Chain Transparency in the coming years
- Analyze your regulatory & internal Supplier Data requirements across the board and set up processes to collect, capture & validate Supplier data before usage
- Make sure to engage your suppliers in the right way – consider making use of a trusted 3rd party for supplier data collection; not only for „difficult“ suppliers, but to capture with application of NDA's near to 100% Supplier Data & Product compliance
- Implement holistic Monitoring processes to stay up to date with Global (regulatory) Changes as well as keep your suppliers aligned with your adjusted data needs

Poll Question

Would you like to be contacted by a 3E representative to learn more about potential solutions?

Choose all that apply and a sales rep will reach out directly:

- No follow-up required
- SDS and Chemical Management, 2-week free trial available
- 3E Connect
- Other

Questions & Answers





Thank you for your time!

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