

Annual Report



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Message from General Manager

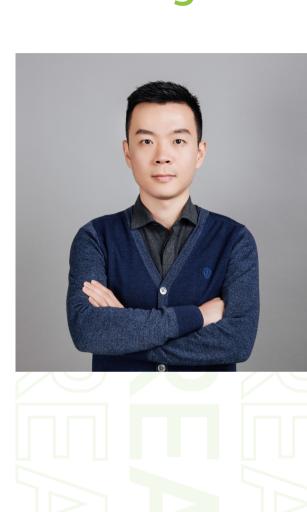
Just as the Chinese saying goes that "it takes ten years to grow a tree", 12 years of development has enabled REACH24H to grow into an industry leader branching out into many different lines of businesses. In 2021, REACH24H achieved a number of amazing results, owing to the professionalism and efforts of all REACH24H's staff.

In the past year, the escalating specialization of REACH24H earned wide recognition from government authorities and industry leaders. We participated in the revision of *GB-6944 Classification and Code of Dangerous Goods and GB-12268 List of Dangerous Goods*; helped Chinese manufacturers export their rail transit products to Europe; and assisted China National Petroleum Corporation (CNPC) in managing its supply chains for the EU and UK markets. We also formally entered Amazon's seller compliance system to clear the way to the global market for products that are made in China; contributed to submitting the first successful notification of a new cosmetic ingredient in China. In addition, REACH24H became ISO 9001 Quality Management System certified.

In 2021, REACH24H continued its journey towards global cooperation by holding its Chemical Regulatory Annual Conference with the Helsinki Chemicals Forum (CRAC-HCF 2021), along with the United Nations Environment Program (UNEP), the Organization for Economic Cooperation and Development (OECD), the European Chemicals Agency (ECHA), and other institutions. The keynote speech was delivered by the Executive Director of ECHA for the first time.

The subsidiaries of REACH24H are gaining in scale: REACH24H Korea was designated as the official consulting service agency by the Korean government; BaiPharm offers customized compliance services for pharmaceutical companies and launched a cross-border OTC drug e-commerce operation business; Haifan Tech, while providing process safety and chemical safety consulting services, becomes the first enterprise in China which realizes a dynamic supervision of hazardous chemicals over the whole industrial chain and circulation process throughout Hainan Province.

The year ahead will also bring its own set of challenges, but having experienced the global crisis in 2020 and the roller coaster ride in 2021, we are more confident about navigating 2022. In 2022, REACH24H staff will continue to uphold the basic tenet of "Value in Compliance", and strive to implement the diversification strategy to build REACH24H into a globally competitive enterprise that can create more business value for all partners, the industry, and society as a whole!



Company Overview



Global Market Access Solutions

Founded in 2009, REACH24H has long adhered to its core mission of "Value in Compliance", offering one-stop global market access services for businesses in the industrial chemicals, pesticides and disinfectants, cosmetics, food and food contact materials as well as pharmaceutical industries. To date, REACH24H has helped more than 10,000 companies worldwide overcome technical trade barriers to smoothly navigate the global market.

Trade Knowledge Intensive Services

Among REACH24H's more than 240 professional staff, over 65% hold a Master's or higher degree in environmental sciences, chemistry, toxicology, food, medicine, pharmacy, and related fields. In addition, REACH24H counts on the support of toxicologists, safety evaluators and risk assessment experts with international certifications who provide high-level technical and consulting services to clients.

Boosting Industrial Competency and Development Potential

REACH24H helps enterprises with high-quality products take the initiative towards trade compliance by improving their understanding of technical barriers and assisting international trade departments move from passive to active participation in the global market. By promoting the concept of full compliance, REACH24H aims for the industry's technological and management development, to support the sustainable upgrade of the supply chain.

Value in Compliance

Milestones

2021

- ➤ REACH24H Korea is designated as Official Consulting Service Agency by the Korean government, MoE.
- Executive Director of the European Chemicals Agency (ECHA) provided the keynote speech for CRAC-HCF 2021 Virtual Week.
- ▶ REACH24H passes the ISO 9001 quality management system certification.

2020

REACH24H establishes the pharmaceutical service and chemical safety service fields-Ruiou BaiPharm Service Co., Ltd and Shanghai Haifan Technology Co., Ltd , two subsidiaries of REACH24H.

2018

REACH24H awarded China Petroleum and Chemical Industry SME Public Service Demonstration recognition

2017

REACH24H joins BRICS
Standardization Research Alliance

2016

REACH24H is recognized as "National Hightech Enterprise"

2014

REACH24H USA Inc. is established

2012

ChemLinked, China's first Asia-Pacific regulatory news platform, is launched

2019

- ➤ Mr. Jim Wei, founder of REACH24H, acquires 100% of firm's equity, REACH24H enters new stage of development
- ► REACH24H KOREA CO., LTD. and REACH24H CONSULTING (UK) LTD. are established

2015

- ▶ Taiwan regional office is established
- ➤ REACH24H becomes the first agency outside of Korea to successfully submit a K-REACH registration dossier

JIZ

2013

REACH24H receives award as "Zhejiang Key Enterprise Technology Center"

2010

REACH24H becomes a strategic partner to China National Petroleum Corporation CNPC (listed as Global 500 company) for EU REACH

2011

REACH24H is recognized as the first firm in China to provide compliance services as lead registrant

2009

REACH24H is founded

2021 At a Glance

Over the years, REACH24H has always been customer-centric, improving and optimizing our service systems, creating value for our clients with new and improved technology, and winning customer recognition with our professionalism. As of December 2021, REACH24H has served over 10,000 enterprises worldwide, including more than 1,500 that have been cooperating with REACH24H for over 5 years.

In 2021, REACH24H continues to adhere to the core mission of "Value in Compliance", providing clients with professional and efficient technical services to meet client demands in an ever-changing global environment.

Critical Business Developments

Global Market Access Consulting

Industrial Chemicals

- Achieved strategic cooperation with CRRC Qingdao Sifang Co., Ltd by signing the first rail transit project, escorting Chinese rail transit into the European market, and sharing "Made in China" with the world.
- Provided information technology services for China National Petroleum Corporation by launching the CNPC-REACH supply chain management system upgrade project to help CNPC step into the new stage of EU and UK supply chain management.
- In 2021, the demand for EU nanomaterials registration rose significantly. REACH24H helped enterprises complete the identification and registration/renewal of dozens of nanomaterials that were successfully approved by the authority, maintaining a 100% success rate. Meanwhile, the first lead registration project for nanomaterials was successfully carried out.
- In the first year of the official implementation of UK REACH regulations, REACH24H successfully assisted almost 200 companies to submit more than 600 notifications and successfully completed over 40 registrations, including a number of lead registrant projects.

- In 2021, the first year that Order No. 12 of the Ministry of Ecology and Environment (MEE) took effect, REACH24H launched nearly 100 new substance registration projects with testing requirements. The number of various types of registration submitted by REACH24H ranked among the top in the industry, with simplified registration projects accounting for more than 1/3 of the annual official publicized data of 2021.
- In 2021, REACH24H submitted and supplemented nearly 1,000 substances to the National Chemical List of Vietnam, and the success rate reached 100%.
- REACH24H also successfully incubated and completed several New Zealand HSNO approval number inquiries and new chemical component notification projects.
- In 2021, the number of existing substances standard registration projects in Taiwan region rose by 82% compared to 2020. We successfully completed the first joint registration in Taiwan region and helped a number of enterprises to join the joint registration. We successfully assisted enterprises to apply for hundreds of new substance registrations as well as tens of thousands of existing chemicals phase I registration. The approved high tonnage registration projects for new substances accounted for more than 50% of the total number of official approvals.

- To achieve the carbon peaking and carbon neutrality goals unveiled by The Communist Party of China Central Committee and the State Council, REACH24H team provided Carbon Accounting, Carbon Labeling and other relevant services to help enterprises keep up with the latest policy, and make carbon reduction strategies that fit their own development in terms of decarbonization goal setting, program refinement and implementation.
- In 2021, REACH24H USA successfully managed several EPA TSCA projects (e.g., PMNs, SNUNs, LVEs, BFI requests, and TSCA import certificates), as well as completed 2020 Chemical Data Reporting (CDR) filings for company manufacturing sites and imports.

Disinfection Products

- In 2021, as the deadline for approval of the first batch of active substances under the Korean Biocidal Products Regulation (K-BPR) is approaching, the number of registration projects for disinfection products in Korea increased by 100% compared with previous years. Up to now, REACH24H has successfully helped companies complete nearly 150 pre-registrations, involving over 30 active substances.
- As the lead registrant of over ten substances for K-BPR, REACH24H has successfully completed and submitted nearly ten filing dossiers for enterprises regarding the application of the first batch of active substances.



Agrochemicals

- The pesticide consulting business has grown steadily. More than 80% of the top 100 companies in China's pesticide industry choose REACH24H as their compliance service provider, and REACH24H provides services for all of the top 30 companies.
- Making full use of our technical advantages, REACH24H has continued to make efforts in the service of alternative methods such as (Q)SAR, and achieved 100% growth in project execution volume again. We also entered the field of initial safety assessment of new pesticides, and helped new pesticide R&D organizations with technical work such as registration decision, metabolite toxicity evaluation, and impurity limit setting by combining (Q)SAR and other toxicological methods.
- Successfully completed EU technical equivalence application for almost 100 substances, and established long-term cooperation with nearly 20 EU member states. With abundant experience in EU PPP formulation authorization projects, we successfully completed the formulation registration submission using original drug

- data of which the protection period has expired, saving huge data cost for companies.
- We have successfully helped pesticide companies to obtain U.S. EPA biopesticide registration for key products, achieving a grand slam of registration for three major pesticide types: EPA conventional pesticide, antimicrobial pesticide and biopesticide pesticides.
- Launched formal partnership with Lhasa, a globally recognized information platform, to incorporate Derek Nexus & Sarah Nexus, the world's leading (Q)SAR prediction system, into the software tools serving our clients, enabling higher quality assessment of toxicological nodes such as genotoxicity, skin sensitization, and carcinogenicity.
- In July 2021, Organization for Economic Cooperation and Development (OECD) first published Defined Approaches to evaluate the skin sensitization of chemicals (OECD TG 497). REACH24H immediately completed technical upgrade to expand the technical services of alternative methods.

Cosmetics

- REACH24H provided consulting services for global well-known enterprises such as La Prairie, The Body Shop, Aesop, Moroccanoil, Malin+Goetz, Merck, Allergan, Korea Kolmar, etc. to enter the Chinese market.
- Launched cooperation with the well-known Chinese cosmetics brands (eg. Florasis) to help the companies with products access into the global markets.
- REACH24H assisted Wuhan Zhongke Optics Valley Green Biotechnology Co., Ltd to successfully complete the new cosmetic ingredient notification for the N-acetylneuraminic acid (NANA), which was the first successful case of NCI notification in China under the new regulation.
- With many years of experience in cosmetics

- regulation and expertise in safety assessment, REACH24H helped hundreds of enterprises in safety assessment and helped hundreds of products enter the Chinese market smoothly through non-animal testing strategies.
- In 2021, REACH24H provided ingredient manufacturers and suppliers with technical pe-review and safety assessment for thousands of existing ingredients before the guidelines of ingredient submission code application officially implemented.
- In 2021, REACH24H built up our all-around service capability, covering ingredients code application, NCI notification, products registration and filing, safety assessment, efficacy evaluation, domestic RP agent service and adverse reaction monitoring, etc.
- REACH24H Korea has successfully completed Skin characteristics analysis survey project for KCII(MoH) of Koreans and Vietnamese in 2021.

Food

- In 2021, REACH24H assisted domestic and overseas companies with product compliance review, product notification/registration, investigation and research, regulatory and technical consulting for over 1000 products. The number of companies we served increased by 60%, including companies like Pepsi, Yakult, A2 Milk, Lotus, Chr. Hansen.
- In 2021, the GACC Overseas Manufacturer
 Registration System was officially launched. Our
 technical team kept abreast of the regulatory
 changes, provided first-hand regulation interpretations
 and training courses for embassies and consulates
 of various countries, and helped many enterprises
 successfully complete the overseas manufacturer
 registration, maintaining a 100% success rate.
- In 2021, REACH24H launched a self-developed food compliance intelligence system-FoodBox. It is a multi-language system with comprehensive function of food ingredient and formula compliance check, and enables enterprises to do food compliance work efficiently and accurately.
- REACH24H extended the compliance services for products exported to the markets such as South Korea, the European Union, and the United States.



Pharmaceuticals

- REACH24H successfully incubated the toxicological assessment service projects in the pharmaceutical field, and assisted enterprises in solving compliance challenges in genotoxicity impurities and shared line assessment, becoming one of the few companies in China with the ability to provide OEL/PDE/ADE limit value calculation services.
- REACH24H expanded cross-border pharmaceutical supply chain services, successfully obtained Hong Kong drug business license, and the online store was officially launched.



BAIPHARM

Asia Pacific Information Platform -- ChemLinked

- ChemLinked provides enterprises with timely, reliable and professional APAC regulation and marketing information. Total global membership exceeds 55,000, covering more than 100 countries worldwide. In 2021, new registered users exceeded 5,000 and the cumulative unique visitors of the website exceeded 200,000.
- The BaiPharm portal of ChemLinked went online, providing pharmaceutical enterprises with one-stop market access services, including news and information, online courses, brand incubation and product registration, etc.



Successfully held the first online summit
ChemLinked Food Digital week, attracting
representatives from nearly 300 organizations
and companies such as Fonterra, New
Zealand Trade and Enterprise and Chr.Hansen,
etc. It further helped companies understand
the dynamics of China's food regulation and
administration, and accurately grasp the
market potential and development trend.

Industry Contribution



Official implementation of *Guidelines for the Use and Control of Key Chemicals in Consumer Products*

GB/T 39498-2020 *Guidelines for the Use and Control of Key Chemicals in Consumer Products* was implemented June 1, 2021. As the only third-party drafter, REACH24H contributed its parts in the whole drafting process of the Guidelines.

Participation in the discussion on the revision of *GB-6944 Classification and Code of Dangerous Goods and GB-12268 List of Dangerous Goods*

On April 9, 2021, a seminar on the revised drafts of *GB-6944 Classification and Code of Dangerous Goods* and GB-12268 List of Dangerous Goods was held in Hangzhou. As the only representative of third-party consulting service company, REACH24H participated in the whole process and put forward feasible suggestions for the improvement of the revised drafts.





Participation in the Drafting of the Specifications on the Application of Toxicological Threshold of Concern (TTC) Approach in the Safety Assessment of Personal Consumer Products and the Integrated Testing Strategy for the Safety Assessment under the organization of the Chinese Society of Toxicology

In 2022, REACH24H will participate in the drafting of the group standards named Specifications on the Application of Toxicological Threshold of Concern (TTC) Approach in the Safety Assessment of Personal Consumer Products and the Integrated Testing Strategy for the Safety Assessment under the organization of the Chinese Society of Toxicology, to help toxicological safety assessment in China to be in line with the technological requirements and specifications of international standards.

Official release of *Emergency Response Guideline for Transportation of Dangerous Goods* for which REACH24H participated in the preparation process as a member of the editorial committee

On April 30, 2021, the State Administration of Market Regulation (SAMR) and the Standardization Administration of China (SAC) approved the release of the *Emergency Response Guideline for Transportation of Dangerous Goods*. REACH24H participated in the preparation of the *Emergency Response Guideline for Transportation of Dangerous Goods* as a member of the editorial committee, which has been officially implemented since November 1, 2021.



Win-Win Cooperation

Held the CRAC-HCF 2021 Conference with the Helsinki Chemicals Forum, the United Nations Environment Program, the Organization for Economic Cooperation and Development, the European Chemicals Agency, and other institutions. The event covered chemicals, pesticides, pharmaceuticals and other industries and the Executive Director of ECHA was invited to attend and deliver the keynote speech for the first time.

Videos of the speeches

Click to download the post-forum report





Organizers



REACH24H Consulting Group



Helsinki Chemicals Forum

Partners



United Nations Environment Programme



European Chemicals Agency



Organization for Economic Cooperation and Development



Centro Reach



European Commission



VEGA HUB

Continuous communication and cooperation with global partners by cooperating more closely with the Canadian Consulate, Czech Consulate, New Zealand Trade and Enterprise, Swiss Consulate, Philippine Embassy, Spanish Consulate, European Union Chamber of Commerce, UK-China Trade Association, Australian Nutritional Supplements Association, Australian Export Association, French Cosmetics Association and Spanish Cosmetics Association in the compliance and branding fields, to enhance the popularity and compliance safety of overseas brands to smoothly enter the Chinese market, and reach framework cooperation agreements with some organizations for mutual benefit and development



会规 VALUE IN 创造 价值 COMPLIANCE

- More in-depth contact with official organizations such as General Administration of Customs, China Entry-Exit Inspection and Quarantine Institute, China Chamber of Commerce for Import and Export of Medicines and Health Products (CCCMHPIE) in terms of information exchange and enterprise training
- ▶ REACH24H USA signed an MOU with the Independent Beauty Association (IBA) to become its Preferred Partner for China cosmetic regulatory services.
- ▶ REACH24H USA is a member of and participates in a number of U.S. trade associations and professional societies including: Council of Safe Transportation of Hazardous Articles (COSTHA); Household & Commercial Products Association (HCPA); Independent Beauty Association (IBA); Personal Care Products Association (PCPC); PLASTICS Industry Association; Product Stewardship Society (PSS); and the Society for Chemical Hazard Communication (SCHC).
- ▶ REACH24H Korea signed MOUs with Sooy-K, KCI in order to have close partnership with global cosmetic ingredient regulation compliance.

New Challenges and Opportunities in 2022

January 1, 2022

Guidelines for Screening of Priority Assessment Chemical Substances officially implemented

The standard of the Ministry of Ecology and Environment (MEE), *Guidelines for Screening of Priority Assessment Chemical Substances*, was officially implemented on January 1, 2022. It aims to prevent the environmental risks of chemical substances, regulate and guide the screening of priority assessment chemical substances, and provide support for screening and evaluation of priority control chemical substances.

January 1, 2022

Measures for the Management of Hazardous Waste Transfer officially implemented

The Ministry of Ecology and Environment (MEE) published the *Measures on the Management of Hazardous Waste Transfer*. It was approved by the MEE ministerial meeting on September 18h, 2021, and implemented January 1, 2022.

January 8, 2022

New data information requirements for registration of chemical substances under EU REACH officially implemented

The European Commission has amended certain data information requirements for the registration of chemical substances under REACH (Annexes VII to XI), which entered into force on July 8, 2021, and formally implemented from January 8, 2022.

Industrial Chemicals

April 2022

New Swiss Chemicals Ordinance (ChemO) expected to enter into force

Switzerland is planning a major update to its Chemicals Ordinance (ChemO). The amendments are expected to enter into force in April 2022.



2022

Indian chemical regulation CMSR may be formally published

Since 2019, the Indian Chemical Management and Safety Rules (CMSR) draft has been revised several times by the Indian chemicals authority, but it is still under discussion and has not been officially released yet. Nevertheless, there is still news claiming that CMSR will be formally introduced in 2022 and come into effect within six months afterwards.

Agrochemicals



May 1, 2022

National Standard Fertilizer Marking - Presentation and Declaration officially implemented

After ten years of repeated revisions and consultation, examination and submission for approval, GB 18382-2021 Fertilizer Marking - Presentation and Declaration has been officially released on April 30, 2021 by National Standard publication announcement (No. 6, 2021) and will be implemented from May 1, 2022.

2022

Implementation of the new draft of fertilizer regulation in the EU

In 2019, the European
Parliament approved the
adoption of a new fertilizer
regulation draft, which covers
all types of fertilizers and will
replace the existing Regulation
(EC) No 2003/2003, and will be
officially implemented in 2022
after approval by the EU Council.

Cosmetics

January 1, 2022

Supervision and Administration Measures on Cosmetics Manufacture and Operation officially implemented

On August 2, 2021, in order to regulate cosmetics production and operation activities, strengthen the supervision and management of cosmetics to ensure the quality and safety of cosmetic products, the State Administration for Market Regulation (SAMR) issued the latest version of the *Supervision and Administration Measures on Cosmetics Manufacture and Operation*, which came into effect on January 1, 2022.



Cosmetics registration or filing needs to provide all the information related to "high-risk ingredient" safety

According to requirements of the National Medical Products Administration (NMPA) announcement on the implementation of *Provisions for Management of Cosmetic Registration and Notification Dossiers*: Beginning January 1, 2022, in accordance with the requirements of the Provisions, the registrants and filers should provide safety-related information of raw materials with functions of anti-corrosion, sunscreen, coloring, hair dye, and spot whitening when applying for registration and filing.



January 1, 2022

Supervision and Administration Provisions on Children Cosmetics officially implemented

On October 8, 2021, the National Medical Products Administration (NMPA) formulated the *Supervision and Administration Provisions on Children Cosmetics*, which requires that:

- Except for the labeling requirements, other regulations on children cosmetics came into force January 1, 2022.
- Starting from May 1, 2020, registration or filing applications for children cosmetics should mark its labels in accordance with the Provisions.

Food



January 1, 2022

Regulations of the People's Republic of China on the Registration and Administration of Overseas Manufacturers of Imported Food officially implemented

On April 12, 2021, GACC published Decree No. 248 on *Regulations of the People's Republic of China on the Registration and Administration of Overseas Manufacturers of Imported Food.* The new regulation has been implemented since January 1, 2022, which requires that all overseas manufacturers (manufacturing, processing, storing) of imported food should complete overseas manufacturer registration.

January 1, 2022

The Measures of the People's Republic of China for the Administration of Import and Export Food Safety officially implemented

The Measures of the People's Republic of China for the Administration of Import and Export Food Safety (Decree 249) was published on April 12, 2021 after approval by the GACC meeting, and came into force January 1, 2022.



REACH24H Consulting Group

www.REACH24H.com



14th Floor, Building 3, Haichuang Technology Center, 1288 West Wen Yi Road, Hangzhou, China (311121)



+86 571 8700 7555



customer@reach24h.com

