

LEO

SUSTAINABILITY

EXPRESS



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EUDR Updates

Battery
Regulation
(2023/1542)

HKQAA
Guidance
booklet

Participate in
Environmental
Standards
Drafting



ABOUT LEO SUSTAINABILITY EXPRESS

THROUGH OUR SUSTAINABILITY EXPRESS, WE AIM TO SHARE OUR SUSTAINABILITY INITIATIVES WITH OUR CLIENTS AND PARTNERS, AND WORK HAND IN HAND TO CREATE A GREENER, MORE SUSTAINABLE FUTURE TOGETHER.



Go Green

Welcome to Leo Sustainability Express Issue 6, highlighting key milestones in our sustainability journey. This edition covers the EU's updated timeline for EUDR enforcement, EU Battery Regulation shaping responsible practices, and Leo Paper's support to HKQAA initiatives. We also share our active role in developing international and industrial environmental standards, reinforcing leadership in sustainable progress.

EUDR Progress Updates

The EU approved a one-year delay to EUDR enforcement. Parliament voted 402–250 on November 26, 2025, citing readiness and technical concerns. Large and medium operators face compliance from December 30, 2026, while small and micro enterprises gain extra time until June 30, 2027.

In a major development for global supply chain, the European Union has approved a one-year delay to the enforcement of the EUDR. On November 26, 2025, the European Parliament voted 402–250 in favor of the Council's proposal, reflecting widespread concerns from businesses and authorities over readiness, administrative burdens, and technical challenges. Under the revised timeline, the regulation will take effect on December 30, 2026, for large and medium operators, while small and micro enterprises will benefit from an additional grace period until June 30, 2027.

A Second Delay

Originally slated for December 30, 2025 (after an initial delay from 2024), the regulation push back due to:

- **IT System** : The centralized EU information system for DDS submissions is not fully ready for operation.
- **Administrative Overload**: Small businesses and downstream operators (e.g., retailers) struggled with multi-layered reporting requirements.
- **Supply Chain Disruptions**: Early compliance could have led to economic fallout in key exporting countries, prompting calls for simplification from member states like Germany and Austria.



The New Timeline: Phased Rollout for Different Operator's Size

Operator Type	Original Deadline	New Deadline	Key Notes
Large & Medium	Dec 30, 2025	Dec 30, 2026	• Full due diligence and DDS requirements apply. • Products placed on the market before this date are exempt as “old stock.”
Small & Micro	Jun 30, 2026	Jun 30, 2027	• Extended grace period: simplifying obligations (see below). • Products from these operators remain exempt when used by larger firms until the deadline.

Key Simplifications

Beyond the delay, the approved changes include targeted measures to streamline implementation, particularly for smaller players and downstream supply chain operators. These build on the European Commission's October 2025 proposal but go further:

1. **Single DDS Submission:** Only the first operator placing products on the EU market must submit a full DDS to the IT system. Downstream operators (e.g., manufacturers or retailers) no longer need to file separate statements but must retain records for audits.
2. **Simplified Traceability:** Postal codes will be used instead of precise geolocation coordinates and to submit just one streamlined declaration.
3. **Mandatory Review by April 30, 2026:** The Commission will assess the regulation's administrative impact—focusing on micro/small operators—and propose further tweaks. This pre-enforcement review could lead to even lighter obligations.
4. **Books exempted for EUDR:** provisional agreement between the Council and the European Parliament to amend the EUDR and remove printed products — such as books, newspapers and magazines — from its scope.
5. **Grace Periods and Legacy Stock:** No enforcement actions for six months post-deadline in some cases, and pre-2026 inventory is grandfathered in.

What Should We Do Next?

Don't stop EUDR work. Many of us have already built traceability systems, trained suppliers, and mapped risks. We should keep going and finish the job properly.

- Check how the new rules and timeline affect the specific products and supply chain.
- Update the due diligence framework if needed.
- Use the extra 12 months to get fully ready – the regulation is still coming

EU Battery Regulation 2023/1542

Portable batteries are the most common type of battery in everyday life, powering smartphones, laptops, toys, and household devices. Their widespread use makes them a critical focus of the EU Battery Regulation (EC 2023/1542), adopted on 12 July 2023 and in force



since 17 August 2023. This regulation replaces the older Directive 2006/66/EC and is directly applicable across all EU member states, ensuring uniform standards. By addressing restricted substances, durability, removability, and labelling, the regulation seeks to reduce environmental harm, improve consumer safety, and promote a circular economy.

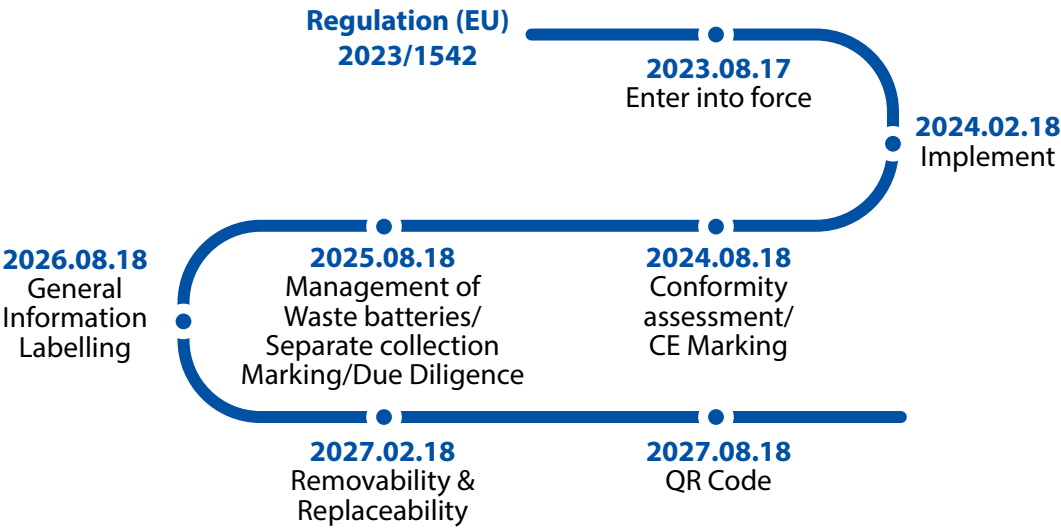
Scope and Timeline

Scope: The Directive applies to all categories of batteries: portable, light means of transport (LMT), industrial, electric and hybrid vehicle (EHV), and starting, lighting, ignition (SLI). But in this article, it focuses on portable batteries. A battery that is sealed, weighs 5 kg or less, is not designed specifically for industrial use and is not EV battery, LMT battery, or an SLI battery. This article focuses on portable batteries.

Summary of regulation requirement for portable batteries

Category	Substances Restriction	Carbon footprint	Recycled content	Performance & Durability
Portable Batteries	√	Review on Dec 2030	NA	√
Category	Removability Replaceability	Labelling & information	Health & expected lifetime	Digital Passport
Portable Batteries	√	√	NA	NA

Timeline



Restricted substances

One of the regulation’s key provisions is the restriction of hazardous substances in portable batteries.

- Mercury, cadmium and lead are heavily restricted due to their toxicity and environmental risks. Limits are set to prevent contamination of soil and water when batteries are improperly disposed of.

Substance	Regulation Substance (EU) 2023/1542	
	Restriction Limit	Effective Date
Hg	≤ 0,0005 %	Aug 18, 2024
Cd	≤0.002%	Aug 18, 2024
Pb	≤0.01%	Aug 18, 2024
		Aug 18, 2028 (zinc-air button)
Others	REACH Regulation	

- Manufacturers must comply with chemical safety standards and demonstrate compliance before placing batteries on the EU market.

This ensures that portable batteries are safer for consumers and less harmful to ecosystems.

Performance and Durability

To reduce waste and promote sustainability, the regulation introduces minimum performance and durability requirements:

- Portable batteries must meet standards for capacity retention and life cycle, ensuring they last longer in consumer devices.
- Manufacturers must provide transparent information on expected battery performance, helping consumers make informed choices.
- Durability requirements discourage the production of low-quality, short-lived batteries, aligning with the EU's Circular Economy Action Plan.

By extending battery lifespan, the regulation reduces the frequency of replacement and the volume of waste.

Manufacturers must conduct standardized testing (capacity retention, endurance, and life cycle), document results in technical files, and provide evidence through CE marking.

The effective date will be from 18 August 2028, or 24 months after the date of entry into force of the delegated act (By 18 August 2027, the Commission shall adopt a delegated act) whichever is the latest.

Leo Paper Group Supports HKQAA's ESG Initiatives at the Green and Sustainable Finance Forum

Leo Paper Group proudly continues its collaboration with the Hong Kong Quality Assurance Agency (HKQAA) to drive Environmental, Social, and Governance (ESG) initiatives. As the special sponsor, we are honored to support the release of "Review and Disclosure of the Climate-Related Financial Impacts: Guidance and Recommendations," unveiled at the Green and Sustainable Finance Forum Luncheon held on 11 December 2025 at the JW Marriott Hotel.

Organized by HKQAA, this high-level forum served as a vital platform for knowledge exchange, promoting cutting-edge concepts in sustainable development and sharing practical experiences across industries. The event featured distinguished leaders and experts from both local and international communities, offering valuable insights into emerging sustainability trends and strategies shaping the global future.

We remain committed to driving initiatives that inspire meaningful change and contribute to a greener, more sustainable world. We aim to transform innovative ideas into impactful realities, creativity, responsibility, and sustainability.



Participate in the Development of International, and Industrial Environmental Standard

Leo Paper has actively contributed to the development of international and industrial environmental standards, demonstrating its long standing commitment to sustainable manufacturing. By participating in global standard setting initiatives, the company helps shape guidelines that promote responsible resource use, reduce environmental impact, and continuous improvement across the industry. This involvement not only

supports greener production practices within Leo Paper but also drives positive change throughout the supply chain, reinforcing the company's role as a leader in environmental stewardship.

We participated in the development group for ISO 22067 Part 2, a key component of the new international standard series that establishes requirements for communicating the environmental aspects of printed products across the entire print production supply chain. While Part 1 addresses general printing processes, Part 2 specifically focuses on environmental communication in print finishing operations, including binding, surface decoration, and post press converting. Leo's involvement highlights our contribution to advancing sustainability in the printing industry by helping shape guidelines that promote transparency and responsible environmental practices.

Invited to join the distinguished technical group of experts responsible for developing the Technical Specification for Carbon Neutrality Evaluation of Printing Enterprises in China. This initiative represents a significant step toward promoting sustainable practices and reducing carbon emissions within the printing industry. As a member of the drafting team, Leo will contribute expertise to shaping guidelines that ensure enterprises can accurately assess, monitor, and achieve carbon neutrality. This participation underscores both professional recognition and a commitment to advancing environmental responsibility in alignment with China's broader sustainability goals.