

LEO SUSTAINABILITY EXPRESS



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**EU Forced Labour
Regulation (FLR)**

**Packaging and
Packaging Waste
Regulation (PPWR)**

**Empowering
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Directive (EmpCo)**

**Grand Award
Winner at BDA
Brand Award**

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

EU Forced Labour Regulation (FLR): What It Means for the Publishing Supply Chain

Overview

The EU Forced Labour Regulation (EU) 2024/3015 will prohibit products made wholly or partly with forced labour from being placed on the EU market, made available within the EU, or exported from the EU from **14 December 2027**. The Regulation applies to all products, sectors, and companies, regardless of size or location, and covers every stage of production, including harvesting, extraction, manufacturing, and processing.

The Regulation adopts the International Labour Organization (ILO) definition of forced labour: work performed under the threat of a penalty and without voluntary consent. Indicators include debt bondage, withholding of identity documents or wages, coercive recruitment, excessive overtime, restricted movement, and limitations on workers' ability to leave employment freely.



FLR covers the whole supply chain

For Leo's customers, the FLR highlights the growing importance of responsible supply chain management. Publishing companies placing products on the EU market will need greater visibility into their supply chains and bear the responsibility of demonstrating their products are produced at facilities that not only do not practice forced labour, but do not work/purchase raw materials from suppliers that practice employment of forced labour. As the FLR covers the entire supply chain, from raw material sourcing and manufacturing to finished products, compliance cannot be achieved by brand owners alone. Effective implementation requires close collaboration among all supply chain partners. Non-compliant products may be prohibited from sale or export, withdrawn from the market, or blocked from entering the EU through customs controls. Printing manufacturers act as a bridge connecting raw material suppliers, manufacturers, and customers, helping to enhance traceability, support due diligence efforts, and promote responsible sourcing throughout the value chain.

At Leo we are committed to supporting our clients through robust supplier due

diligence, responsible sourcing programs, supply chain traceability, and compliance monitoring. By working closely with our suppliers, we help clients mitigate regulatory risks and maintain access to the EU market.

Preparing for PPWR (Packaging and packaging waste regulation): Impacts, Risks and Practical Solutions for Publishers

Risk and Opportunity of PPWR for EU publishers

Key risks include higher compliance costs, the need to redesign packaging formats, increased documentation requirements, and the challenge of obtaining material compliance data from multiple suppliers. Publishers that place books, gift products and printed materials on the EU market may also face market access restrictions if packaging fails to meet PPWR requirements.

At the same time, PPWR creates opportunities to reduce packaging waste and costs, strengthen ESG (environmental, social, and governance) performance, enhance brand reputation, and meet growing customer demand for sustainable products. Early adopters can gain a competitive advantage through innovative, recyclable, and minimized packaging solutions while aligning with the EU's circular economy objectives.

What Should You Do or Be Ready Under PPWR?

To prepare for PPWR, companies should evaluate all packaging used for books and printed products, including shrink wrap, mailing envelopes, cartons, labels and transport packaging. In addition, clients should establish systems for maintaining technical records and DOCs. While Article 5 substance requirements already apply, additional requirements relating to recyclability, packaging minimalization and other obligations will be phased in between 2028 and 2030.



How Leo Supports clients in Preparing for PPWR

Leo helps customers prepare for PPWR through packaging traceability, compliance documentation, and regulatory insights, reducing risks and strengthening future compliance readiness.

PPWR Requirement	Your Challenge	How Leo Help	Your Benefit
Compliance Documentation • Technical Documentation • Declaration of Conformity (DoC) • Record Retention	Collecting material information from multiple suppliers and maintaining complete compliance records.	• Dedicated Leo Technical Documentation file for each Packaging ID. • Technical records maintained and retained in accordance with applicable PPWR requirements	• Reduced administrative burden. • Improved compliance readiness. • Greater confidence during regulatory reviews.
Packaging Material Compliance & Testing	Obtaining material declarations, compliance information and supporting test reports for packaging materials.	• Supporting test reports available for Leo packaging materials. • Packaging materials managed through unique Packaging IDs for improved traceability. • Accredited in-house testing laboratory.	• Greater confidence in material compliance. • Reduced risk of non-conforming packaging. • Enhanced supply chain transparency.
Packaging Minimalization & Recyclability (2028-2030)	Re-designing packaging to reduce material use while maintaining product integrity and preparing for future recyclability requirements	• Review packaging structures and specifications. • Identify optimizing opportunities. • Support preparation for future recyclability requirements under PPWR.	• Reduced packaging waste. • Potential cost savings. • Improved ESG performance and alignment with circular economy goals.
Market Access & Regulatory Risk	Non-compliant packaging may face market restrictions, increased compliance risk and potential business disruption.	• Strong documentation and material traceability. • Ongoing monitoring of PPWR developments and requirements.	• Greater confidence in maintaining EU market access. • Reduced regulatory risk. • Protection of business continuity and brand reputation

We recommend all our clients to start assessing their packaging materials and compliance documentation today. Work closely with suppliers to understand material composition, testing requirements, recyclability and packaging minimalization opportunities. Early preparation can help reduce compliance risks, avoid market disruptions, and ensure a smoother transition to future PPWR requirements.

Need support? Contact a Leo expert to discuss your packaging compliance strategy, packaging optimization opportunities and PPWR readiness road map



Leo Paper - Your Trusted Partner in Publishing Excellence under EmpCo

What Should and Should Not Do Under EmpCo (Empowering Consumers for the Green Transition Directive)

 Do's	 Don'ts
- Clearly identify the percentage and relevant component if a product includes recycled content. - Properly state the certification scope if a product uses certified paper. - Keep a clear evidence file for each environmental claim, BOM ,supplier documentation, certifications and test reports. Example: FSC MIX Product Type: Packaging FSC Licence Code: FSC-CXXXX	- Using vague environmental claims such as “100% green, Environmentally safe, Climate neutral, without strong evidence. - Presenting legal minimum requirements as unique environmental advantages. - Making an overall environmental claim if the supporting evidence only applies to one part of the product. Example: This book made by eco-friendly materials and produced in sustainable way.

How Leo Paper Group Helps Customers Strengthen EmpCo Compliance

Leo is committed to helping customers navigate evolving sustainability regulations, including EmpCo.

- System & Compliance Updates:** Our internal FSC logo library and compliance framework are being fully updated in line with the latest FSC and EU requirements.

- **Automatic Design Review:** As part of our proactive compliance preparation, we initiated enhanced design review processes. Since then, our teams have been reviewing FSC-certified orders, identifying potential gaps, and providing recommendations for alignment. Any design or labeling updates will be implemented with your approval, ensuring compliance while maintaining consistency with your brand and market requirements.



- **Dedicated Support:** Our sales teams will work closely with you to ensure all artwork and sustainability claims meet the latest regulatory standard.

At the corporate level, we continually strengthen our governance and compliance capabilities through:

- **Robust material traceability** supported by BOM management and comprehensive supply chain controls.
- **Documentation support** for environmental and sustainability claims, including certified materials, recycled content, paper sourcing, and product composition where applicable.
- **EUDR-related due diligence and assessments** to support the responsible sourcing of paper-based products.
- **Product Carbon Footprint (PCF) calculation services** to help customers measure, manage, and communicate the carbon impact of their products.

Customers are welcome to contact Leo's sales team for feedback or enquiries. Together, we can support more responsible products, more transparent communication and stronger confidence in the transition toward a greener marketplace.

Grand Award Winner at BDA Brand Award 2026

Recognition of Leo's Commitment to Sustainable Growth

At Leo, sustainability is an integral part of how we operate, innovate and grow. Over the years, we have strengthened our ESG efforts through responsible sourcing, supply chain transparency, renewable energy adoption, resource conservation, waste reduction, and the development of more sustainable products. We have also enhanced our ability to support customers in addressing evolving sustainability and regulatory requirements, including packaging compliance, traceability, and responsible supply chain management.



We are honored that these ongoing efforts have been recognized through the **Grand Award at the BDA Brand Award 2026**, organized by the Hong Kong Designers Association (HKDA). This recognition reflects the collective commitment of our employees, customers, suppliers and partners to driving sustainable growth and innovation. It encourages us to continue creating long-term value while helping customers build more resilient and responsible supply chains for the future.