

European Union Deforestation Regulation (EUDR)



June 2025 – Implementation Update

For an introduction to the European Union Deforestation Regulation (EUDR) and outline to Clays approach, please refer to our previous update from February 2025 here:

European Union Deforestation Regulation (EUDR) Update – Clays

As we communicated in February, Clays are committed to the principles of sustainability and support the objectives of the EUDR. We have been working tirelessly to ensure we are able not only to be fully compliant with the legislation by 30th December 2025 deadline but also to share information with our customers and across the supply chain at the earliest opportunity.

Our internal project team brings together expertise from across the business, sustainability, purchasing, IT, paper and compliance to ensure we can put together the best possible solutions.

Supplier Management

In May we received some important updates from key paper suppliers including the first set of information for how they expect to share data with us. This information comes from a few suppliers, supplying the largest volume of paper product to us, enabling us to tackle the workflow affecting the largest number of books for our customers.

These suppliers are aiming to provide the first set of test data to us at the end of June, with live data available from mid-September. There are elements of their supply chain that still require linking within their internal systems so they have warned us these dates may move.

We have created a list of our standard house papers with details of paper suppliers which is available on request for our customers for those who wish to understand the supply chain in more detail.

We are now asking the rest of our other paper suppliers to adhere to these timeframes to enable us to build the workflows for all elements of the book simultaneously.

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Internal Workflows

Having received the information from our suppliers, the Clays project team is now finalising the internal workflows required to track the flow of incoming materials and provenances throughout our manufacturing processes to assign EUDR information at product level. We are again aligning our timeframes with the expected first set of test data from suppliers at the end of June.

| Key Project Milestones | | | | | | | |
|------------------------|----------------------------|-----|-----|-----|-----|-----|-----|
| | 2025 | May | Jun | Jul | Aug | Sep | Oct |
| Supplier Management | | | | | | | |
| | Create Supplier Plan | | | | | | |
| | Develop Data Interfaces | | | | | | |
| Internal Systems | | | | | | | |
| | Specify Workflows | | | | | | |
| | Develop System Changes | | | | | | |
| | Soft Implementation | | | | | | |
| | Full Implementation | | | | | | |
| Customer Interfaces | | | | | | | |
| | Confirm Customer Plan | | | | | | |
| | Develop Interfaces | | | | | | |
| | Full Implementation | | | | | | |
| Risk Assessment | | | | | | | |
| | Create Framework | | | | | | |
| | Stakeholder Evaluation | | | | | | |
| | Implement Risk Assessments | | | | | | |

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Publisher Engagement

We are continuing to engage with our publishers to coordinate our approaches. We are creating standard templates for sharing the detailed data required for EUDR compliance with our customers, ensuring transferability to the EU Traces information system. For those customers planning to implement a bespoke interface, we request a detailed definition of the requirements by the end of July to provide enough time to design and develop the bespoke solution. Please contact your sales representative to discuss this in more detail.

Where paper is sourced from the EU, we will supply EU reference numbers and verification numbers. For paper sourced from outside the EU, we will supply geolocation and associated data in line with EUDR requirements. This information will be collated and shared at a printing level and there is a high likelihood that each printing will contain paper from both EU and non-EU sources.

Industry Collaboration

There are several outstanding questions or areas of uncertainty around the implementation of the legislation and we continue to work with multiple industry-wide forums to address these. For illustration purposes, examples include what references are required for transition stocks produced before December 2025 at all stages of the supply chain (wood, pulp, paper, books) and how to handle transfer of information for longer production schedules where multiple data feeds may be required.

We are actively engaged in projects with Book Industry Communications (BIC), the Publishers Association (PA), British Printing Industries Federation (BPIF) and the Book Chain Project to answer these questions and build a harmonised approach across the book industry supply chain.

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Risk Assessment

We are currently developing our risk assessment framework to validate all incoming EUDR information from our supply chain and provide further assurances to our customers that each printing meets EUDR requirements.

As part of this, we intend to adopt a system-oriented approach through evaluating the robustness of management processes in meeting the requirements of the EUDR. This will consider the country of harvest, the complexity of the supply chain, historic occurrences of data inaccuracy, the assumptions embedded in our internal tracking systems and all other EUDR criteria.

We maintain strong relationships with our paper suppliers which we intend to leverage to convey the requirements of the EUDR and ensure the accurate and timely completion of our risk assessment framework. Where our risk assessment finds a non-negligible risk, we will implement effective risk mitigation measures to prevent potential violations of EUDR criteria. Furthermore, we are actively promoting the need for industry-level best practice guidance and support to standardise risk assessment approaches and implement mitigation measures.

We are building our risk assessment framework with a draft to be ready by the end of June. This will be reviewed with key stakeholders in July, to start the risk assessment of our supply chain in August.