

Empowering Consumers through Data Transparency

A White Paper on Environmental Claims Governance

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SCOPE EmpCo (Directive (EU) 2024/825) amends the Unfair Commercial Practices Directive and the Consumer Rights Directive and applies to business-to-consumer commercial practices in the EU, across every channel: packaging, advertising, websites, labels and point-of-sale information. Member States had to transpose it by 27 March 2026, and the national measures apply from 27 September 2026.

AUDIENCE Executive Leadership, Regulatory Affairs, Sustainability, Product Management, Compliance, Marketing and Digital Transformation Teams

CORE THESIS

EmpCo makes every environmental claim only as strong as the evidence behind it. Companies that govern claims as regulated business information, linked to current, traceable and auditable product, supplier and sustainability data, will build a transparency capability they can reuse for Digital Product Passports, eco-design and portfolio steering, while those that only review claim wording will repeat the effort with each new regulation.

Legal note: This white paper is intended for strategic orientation and does not constitute legal advice. Detailed obligations depend on regulatory texts, customer requirements, national enforcement practice and company-specific facts.

ABSTRACT

The European Union's Empowering Consumers for the Green Transition Directive (Directive (EU) 2024/825, commonly referred to as EmpCo) marks a significant change in the regulatory treatment of business-to-consumer environmental claims and sustainability information. It amends Directives 2005/29/EC and 2011/83/EU by adding specific rules on misleading environmental claims, sustainability labels, social-characteristic claims, practices associated with early obsolescence and consumer information on durability, guarantees, software updates and repairability. Generic environmental claims such as "environmentally friendly", "green" or "eco-friendly" are prohibited where the trader cannot demonstrate recognized excellent environmental performance relevant to the claim. Other environmental claims remain subject to the Directive's rules on misleading actions and omissions.

For companies, EmpCo is primarily a consumer-protection and commercial-communications measure. Its implementation can nevertheless create a significant data-governance challenge because substantiating and maintaining relevant claims may depend on the availability, quality and traceability of product, supplier, material, packaging and environmental-performance data.

KEY TAKEAWAYS

- EmpCo means environmental claims should be governed as regulated business information rather than as marketing assets.
- Product, packaging, supplier and sustainability data become critical compliance assets.
- Supplier transparency is a critical dependency for successful implementation.
- Leadership should launch a cross-functional environmental claims governance programme.

Table of Contents

Executive Summary	4
1. Executive Context	4
2. Strategic Insight: Sustainability Claims Become Regulated Business Information	6
3. Business Implication: Evidence Becomes a Strategic Asset	7
4. Operating Model: From Sustainability Communication to Environmental Claims Governance	8
5. Example: The EmpCo Data Model	10
6. Strategic Benefit: EmpCo Enables Better Sustainable Portfolio Decisions	12
7. Critical Dependency: Supplier Data Readiness	13
8. Regulatory-Ready PLM as an Enabler	14
9. Executive Priorities	16
10. Recommended Next Steps	16
11. Conclusion	21
Disclaimer	23
Selected Sources	23
About Regulatory Strategy Consulting Kunz	23

Executive Summary

EmpCo changes the status of environmental claims in the EU: statements that used to be treated as marketing content should now be managed to the standards of evidence, traceability and accountability that apply to other regulated business information. A claim becomes a governance object with a defined meaning, scope, methodology, evidence base, owner and maintenance process.

The core challenge is therefore information governance, not communication. Most companies already hold the relevant data, but it is scattered across product, procurement, certification, sustainability and marketing environments. This fragmentation creates three risks:

- **Compliance:** evidence exists but cannot be retrieved or defended when needed.
- **Operational:** functions repeatedly request and reconcile the same information.
- **Strategic:** management lacks product-level visibility for redesign, sourcing and portfolio decisions.

The white paper proposes an enterprise response built on four elements:

- **Claims governance operating model:** five layers (capture, validate, govern, publish, monitor) that connect every published claim to current evidence and trigger a review when products, suppliers or methods change.
- **Product transparency information architecture:** eight linked information domains, from product, material and supplier data to a claims register and an audit-ready evidence repository.
- **Supplier transparency:** the limiting factor, since much of the evidence originates outside the company; it must be developed through standard requests, maturity assessments and contractual data obligations.
- **Regulatory-ready PLM:** the operational backbone that connects product structures, materials, suppliers, sustainability indicators and compliance evidence across the lifecycle.

Implementation follows three stages: govern and prioritize (claims inventory, risk ranking, ownership), connect and validate (common data model, evidence repository, supplier programme), then automate and reuse (monitoring triggers, dashboards, controlled publishing).

The payoff goes beyond compliance. The same trusted information supports portfolio steering, eco-design, supplier management, customer transparency and Digital Product Passports. Leadership should treat EmpCo as an enterprise information-governance transformation and fund it accordingly, because a narrow claims review reduces immediate exposure but leaves the fragmented information landscape intact.

1. Executive Context

European sustainability regulation is entering a new phase. For more than a decade, policymakers have focused on increasing transparency regarding environmental and social impacts. Corporate sustainability reporting, responsible sourcing requirements, circular economy initiatives and product transparency regulations have gradually expanded the amount of sustainability-related information available in the market.

A fundamental challenge nevertheless remained unresolved. While organizations published increasing volumes of sustainability information, consumers often struggled to assess whether environmental claims were meaningful, comparable and supported by evidence. Terms such as "green", "sustainable", "eco-friendly" or "climate neutral" became widespread across product categories, despite significant differences in their underlying methodologies, assumptions and supporting data. Many environmental claims relied on vague language, limited substantiation or unclear references, creating a risk that consumers could be misled when comparing products and services.

EmpCo strengthens consumer protection by addressing greenwashing, misleading information about social characteristics, non-transparent or non-credible sustainability labels and commercial practices associated with the early obsolescence of goods. Among the practices prohibited in all circumstances are displaying a sustainability label that is not based on a certification scheme or established by public authorities; making a generic environmental claim without demonstrating recognized excellent environmental performance relevant to the claim; making an environmental claim about an entire product or business where it concerns only a specific aspect or activity; and claiming, on the basis of greenhouse-gas offsetting, that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse-gas emissions. Claims about future environmental performance may be misleading where they are not supported by clear, objective, publicly available and verifiable commitments set out in a detailed and realistic implementation plan that includes measurable and time-bound targets and is regularly verified by an independent third-party expert whose findings are made available to consumers. The Directive also amends pre-contract information rules concerning the commercial guarantee of durability, software updates, repairability scores and other repair information in the circumstances specified by Directive 2011/83/EU. Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024 introduces these changes by amending Directives 2005/29/EC and 2011/83/EU. Official text: Directive (EU) 2024/825.

Legal scope and timing. EmpCo is an amending directive rather than a stand-alone product-data regime. Its principal effects arise through amendments to the Unfair Commercial Practices Directive and the Consumer Rights Directive and therefore concern business-to-consumer commercial practices and specified consumer information duties. Member States were required to adopt and publish their transposition measures by 27 March 2026 and to apply those measures from 27 September 2026. Organizational readiness programmes should distinguish obligations under the applicable national implementing legislation from broader voluntary governance measures and from requirements arising under other EU legislation.

For business leaders, the significance of this development extends beyond legal compliance. EmpCo also has strategic implications for how relevant environmental information is generated, governed and communicated. Where claims fall within the amended consumer-protection framework, they may need to be managed as regulated consumer-facing information rather than solely as marketing content. This affects accountability, organizational responsibilities and the supporting data environment.

The management challenge therefore extends beyond reviewing packaging statements or website language. Organizations should determine whether the product, supplier and sustainability data relevant to their claims are sufficiently reliable, current and traceable. In many industries, effective implementation will depend not only on communication expertise but also on data quality, system integration and governance maturity.

The organizations that recognize this shift early will be positioned not only to reduce compliance risk but also to establish stronger foundations for product transparency, digital compliance and sustainable portfolio management.

WHITE-PAPER INSIGHT

EmpCo is a consumer-protection measure governing commercial practices and specified consumer information. From an implementation perspective, its substantiation, approval and maintenance demands can also be treated as a product information governance challenge.

2. Strategic Insight: Sustainability Claims Become Regulated Business Information

A central strategic consequence of EmpCo is that organizations may need to manage environmental claims as regulated consumer-facing information rather than solely as marketing content.

Historically, environmental communication followed a relatively simple process. Sustainability teams identified environmental achievements, marketing teams transformed them into customer-facing messages and legal teams reviewed the final claims before publication.

Under EmpCo, this model becomes increasingly difficult to sustain because environmental communication must be assessed against the amended rules on misleading actions, misleading omissions and commercial practices that are prohibited in all circumstances. The Directive does not establish a single evidence standard for every environmental claim. However, substantiation is central to several provisions, including the rule on generic environmental claims, the conditions governing claims about future environmental performance and the assessment of environmental claims under the amended unfair-commercial-practices framework.

Environmental claims are not evaluated solely on wording. Under the amended unfair-commercial-practices framework, their content, presentation, scope and substantiation may determine whether they are misleading. Generic environmental claims require recognized excellent environmental performance relevant to the claim, while claims about future environmental performance require clear, objective, publicly available and verifiable commitments supported by a detailed and realistic implementation plan with measurable and time-bound targets and regular independent third-party verification. For other claims, the legal assessment depends on the applicable provision and the circumstances in which the claim is presented.

This changes the nature of sustainability communication. Product information that was once managed primarily within marketing functions increasingly requires input from regulatory affairs, sustainability specialists, product management, procurement, compliance and information technology. Environmental claims become the visible output of a much larger information ecosystem.

As a result, executives should consider environmental claims in the same category as other forms of regulated information.

- Financial statements require accounting controls.
- Product safety information requires technical controls.
- Regulatory submissions require documentation controls.
- Environmental claims increasingly require sustainability data controls.

A useful management perspective is to view every claim as the endpoint of a compliance process.

For example, the statement:

"Contains 50% recycled content."

appears simple from a consumer perspective.

Internally, however, it may depend on:

- Material composition records
- Supplier declarations
- Chain-of-custody documentation
- Calculation methodologies
- Validation procedures
- Change management controls

Without these supporting elements, the statement becomes vulnerable to challenge.

EmpCo therefore gives organizations a strong reason to formalize the management of environmental claims. Treating sustainability communication as an isolated marketing activity may create operational and compliance difficulties, whereas a scalable information-governance model can improve resilience, consistency and credibility.

STRATEGIC IMPLICATION

Competitive advantage may increasingly depend not only on communicating sustainability performance but also on maintaining appropriate support for claims that are subject to substantiation requirements or an assessment under the applicable consumer-protection rules.

3. Business Implication: Evidence Becomes a Strategic Asset

The next major implication concerns the role of data within the organization.

Many companies already possess substantial quantities of sustainability-related information. Product specifications, bill-of-materials data, supplier certificates, lifecycle assessment reports and environmental performance metrics often exist somewhere within the organization.

The challenge is fragmentation.

Information is frequently distributed across multiple functions and systems.

- Engineering manages technical specifications.
- Procurement manages supplier information.
- Sustainability teams manage environmental metrics.
- Regulatory teams manage compliance documentation.
- Marketing teams manage customer-facing content.

Consequently, even organizations with significant sustainability maturity often struggle to answer relatively simple questions regarding the evidence behind a specific claim.

This fragmentation creates three interconnected risks.

First, it increases compliance risk because evidence becomes difficult to retrieve, validate or explain during investigations or audits.

Second, it increases operational cost because teams repeatedly collect and verify similar information for different reporting obligations, product launches or customer requests.

Third, it reduces strategic agility because sustainability performance cannot easily be compared across products, suppliers or business units.

EmpCo amplifies all three risks.

The solution is not necessarily to collect more information. The solution is to govern existing information more effectively.

Management should therefore begin viewing sustainability evidence as a reusable enterprise asset.

The same carbon footprint information can support:

- Environmental claims
- Customer requests
- Sustainability reporting
- Product design decisions
- Supplier reviews

The same supplier certification may support:

- Responsible sourcing claims
- Procurement requirements
- Product documentation
- Regulatory evidence

This perspective fundamentally changes investment decisions. Data governance initiatives that might previously have been considered compliance projects increasingly become enterprise capability programmes.

MANAGEMENT IMPLICATION

Organizations that treat sustainability data as reusable infrastructure will achieve lower compliance costs and higher strategic value.

4. Operating Model: From Sustainability Communication to Environmental Claims Governance

To respond effectively to EmpCo, organizations require more than a review of existing claims. They require an operating model capable of producing trustworthy environmental information at scale.

A practical future-state operating model consists of five integrated capability layers.

Capture

The first capability concerns collecting relevant information.

Depending on the environmental claims used and the applicable legal provisions, relevant data may include:

- Product composition
- Raw-material information
- Supplier declarations
- Recycled-content information
- Packaging specifications
- Product Carbon Footprints
- Certification records

The objective is to ensure that sustainability-relevant information exists in structured form rather than isolated documents.

Validate

Capturing information is insufficient without validation.

As part of the operating model proposed in this paper, organizations may establish proportionate mechanisms to assess:

- Data completeness
- Data consistency
- Methodological robustness
- Certificate validity
- Supplier reliability

Proportionate validation processes can help ensure that claims are supported by evidence appropriate to the applicable legal provision, the type of claim and the circumstances in which it is presented.

Govern

Governance creates accountability.

Within the operating model proposed in this paper, each claim should have:

- Defined ownership
- Review procedures
- Approval requirements
- Change-management mechanisms
- Retention policies

Without governance, evidence rapidly becomes outdated or disconnected from published communication.

Publish

The publication stage involves the controlled release of approved information across:

- Packaging
- Websites
- Product catalogues
- E-commerce platforms
- Sales documentation

Organizations should increasingly treat environmental claims as governed outputs from controlled systems rather than manually created messages.

Monitor

Environmental claims cannot remain static.

- Products evolve.
- Suppliers change.
- Certificates expire.
- Methodologies improve.

Consequently, organizations may need capabilities to review and maintain published claims in proportion to their legal and factual risk and when relevant supporting information changes.

This transforms sustainability communication from a one-time approval process into a continuous governance activity.

IMPLEMENTATION PRINCIPLE

As a compliance and governance practice proposed in this paper, each published environmental claim should be linked to an appropriate evidence package, a responsible owner and a defined review cycle. The documentation and review required in an individual case will depend on the type of claim, the applicable legal provision and the circumstances in which the claim is presented.

5. Example: The EmpCo Data Model

The practical implementation of EmpCo ultimately depends on data. While the Directive focuses on environmental claims, the real operational challenge lies in the ability to collect, govern and reuse the information required to substantiate those claims.

Many organizations initially approach EmpCo as a communication challenge. However, once specific claims are examined, it becomes evident that every statement depends upon multiple interconnected datasets distributed across the enterprise and the supply chain.

A claim such as:

"This product contains 60% recycled material."

may require information from procurement, supplier management, product development, sustainability reporting and quality management.

A more advanced statement such as:

"Compared with the previous generation, the carbon footprint of this product has been reduced by 30%."

may additionally require lifecycle assessments, historical product information, calculation methodologies and third-party verification.

A structured information architecture can support the effective management of environmental claims, particularly where substantiation depends on information distributed across multiple functions, systems or value-chain partners.

Organizations may therefore establish an EmpCo-oriented data model that consolidates information used to create, approve, substantiate and maintain environmental claims. The Directive does not prescribe a particular data model, evidence repository, PLM architecture or machine-readable format; these are implementation choices proposed in this paper to support consistent compliance and audit readiness.

A practical enterprise-level model consists of eight foundational domains.

DATA DOMAIN

STRATEGIC PURPOSE

Product Master Data	Product identity and traceability
Material Data	Composition and sustainability characteristics
Supplier Data	Origin and evidence source
Packaging Data	Circularity and recyclability support
Environmental Performance Data	Carbon, energy and resource indicators
Certification Data	Independent validation
Claims Register	Governance and lifecycle management
Evidence Repository	Compliance and audit support

The most mature organizations will move beyond document-centric approaches and transition towards structured, machine-readable sustainability information.

This development is strategically important because the same information foundation can support multiple regulatory obligations.

The information collected for EmpCo can often support:

- Product stewardship programmes
- Environmental reporting
- Customer sustainability questionnaires
- Life-cycle assessments
- Eco-design initiatives
- Digital Product Passport requirements
- Sustainable portfolio management

Consequently, management teams should avoid creating isolated EmpCo databases. Instead, EmpCo should be incorporated into a broader product information strategy.

STRATEGIC INSIGHT

The true value of an EmpCo data model does not lie in supporting a single claim. It lies in creating reusable product transparency infrastructure.

6. Strategic Benefit: EmpCo Enables Better Sustainable Portfolio Decisions

Compliance is often perceived as a cost centre.

This perspective is understandable but increasingly incomplete.

One of the most significant opportunities created by EmpCo lies in the strategic value of the information collected during implementation.

Most organizations currently evaluate portfolios using financial and commercial indicators:

- Revenue
- Margin
- Growth
- Market share
- Customer demand

Sustainability criteria are frequently assessed separately and often only for reporting purposes.

Where implementation produces sufficiently reliable, structured and comparable product-level sustainability information, management teams may gain a stronger fact base for portfolio decisions.

Once environmental data is available at scale, management teams gain a significantly stronger fact base for portfolio decisions.

Products can be evaluated according to:

- Carbon footprint
- Recycled content
- Material criticality
- Circularity potential
- Supplier dependency
- Resource intensity
- Regulatory exposure

This creates entirely new decision-making capabilities.

For example, leadership teams can identify products that generate disproportionately high environmental impacts relative to commercial value.

Product development teams can prioritize redesign initiatives based on evidence rather than assumptions.

Procurement organizations can identify suppliers whose sustainability performance creates future business risks.

Innovation portfolios can be adjusted toward products with stronger long-term regulatory resilience.

The result is that sustainability data evolves from a reporting requirement into a management asset.

The strategic advantage is not regulatory compliance itself.

The strategic advantage is better decision quality.

Organizations that successfully integrate sustainability information into portfolio steering gain greater visibility regarding future risks, future opportunities and future investment priorities.

PORTFOLIO IMPLICATION

The same information infrastructure that supports EmpCo compliance can support product innovation, portfolio optimization and long-term competitiveness.

7. Critical Dependency: Supplier Data Readiness

No discussion of EmpCo implementation is complete without addressing supplier readiness.

For organizations using claims that depend on material, component or value-chain information, a substantial proportion of the supporting information may originate outside the company.

Material composition information, recycled content declarations, sustainability certifications, responsible sourcing evidence and Product Carbon Footprint data frequently depend on suppliers.

Where claims rely on supplier information, weaknesses in that information can materially limit the reliability and traceability of the organization's supporting evidence.

This reality significantly changes implementation priorities.

Historically, sustainability programmes often focused on internal reporting capabilities.

For claims that rely on supplier or value-chain information, EmpCo implementation can increase the importance of value-chain transparency alongside internal reporting and governance capabilities.

Executives should therefore assess supplier readiness across four dimensions.

Transparency

Can suppliers provide relevant sustainability information?

This includes:

- Material declarations
- Recycled-content statements
- Country-of-origin information
- Environmental performance indicators

Reliability

Can suppliers demonstrate how information was generated?

Reliability increasingly depends on:

- Documented methodologies
- Management systems
- Verification processes
- Internal controls

Traceability

Can sustainability information be linked to specific materials, components and products?

Traceability becomes particularly important for:

- Recycled-content claims
- Responsible sourcing claims
- Circularity claims

Digital Connectivity

Can suppliers provide information efficiently and consistently?

Long-term success increasingly depends on digital interfaces rather than manual questionnaires and spreadsheets.

Organizations that fail to address supplier readiness may discover that internal governance improvements alone are insufficient.

The maturity of the value chain ultimately determines the credibility of environmental claims.

EXECUTIVE REALITY

For claims that depend on supplier or value-chain information, EmpCo implementation may require a supply-chain transparency workstream in addition to internal governance measures.

8. Regulatory-Ready PLM as an Enabler

As sustainability regulation becomes increasingly product-centric, Product Lifecycle Management systems occupy a strategically important position.

Historically, PLM platforms were primarily used to manage:

- Product specifications
- Engineering change processes
- Bills of materials
- Product documentation

The emerging regulatory environment significantly expands this role.

Future-ready PLM platforms are increasingly expected to manage not only technical product information but also sustainability and compliance information.

This evolution may support the governance and substantiation of information relevant to claims regulated under EmpCo, although the Directive itself does not create PLM-specific information requirements.

A Regulatory-Ready PLM environment may provide integrated visibility across five information domains that are relevant to the governance approach proposed in this paper. Directive (EU) 2024/825 does not require the use of PLM systems or prescribe a particular information architecture.

Product Information

The foundation consists of product structures, specifications and classifications.

Without reliable product identification, environmental claims cannot be connected to specific products.

Material Information

Material composition increasingly forms the basis of claims relating to:

- Recycled content
- Bio-based content
- Hazardous substances
- Material efficiency

Supplier Information

Supplier transparency is required to validate many claims and support traceability.

Supplier information should therefore be connected directly to product structures where appropriate.

Sustainability Information

Environmental attributes such as:

- Carbon footprint
- Energy intensity
- Recyclability
- Circularity indicators

Within the architecture proposed in this paper, these environmental attributes can be managed as product-level information rather than solely as separate reporting metrics.

Compliance Information

Evidence repositories, certificates, declarations and approvals should be integrated into the product information landscape.

The strategic benefit of this architecture is substantial.

Rather than generating environmental claims through manual collection of information, organizations can increasingly generate claims from controlled and governed product data.

This significantly reduces:

- Compliance effort
- Audit risk
- Data duplication
- Information inconsistencies

At the same time, it strengthens readiness for future regulatory developments including Digital Product Passports and product transparency requirements.

PLM INSIGHT

Regulatory-Ready PLM transforms compliance from a document-management exercise into a data-management capability.

9. Executive Priorities

The transition toward evidence-based sustainability communication requires focused leadership attention.

While implementation details will vary by industry and company maturity, six priorities consistently emerge.

EXECUTIVE PRIORITY	EXPECTED BUSINESS IMPACT
Establish Environmental Claims Governance	Reduced compliance and reputational risk
Define an Enterprise EmpCo Data Model	Reusable sustainability data infrastructure
Create a Central Evidence Repository	Stronger audit readiness
Improve Supplier Transparency	Higher information reliability
Integrate PLM and Sustainability Data	Greater compliance scalability
Launch Continuous Monitoring Processes	Long-term regulatory resilience

Leadership should view these priorities not as individual projects but as components of a single transformation programme.

Success depends on governance, technology, processes and supplier engagement progressing in parallel.

The organizations that create integrated implementation programmes will achieve significantly greater long-term value than those pursuing isolated compliance initiatives.

10. Recommended Next Steps

Leadership should approach EmpCo implementation as a structured business transformation programme rather than a regulatory remediation project.

A common implementation mistake is to begin with a review of existing environmental claims and then work backwards toward supporting evidence. While this approach may provide short-term risk mitigation, it often fails to address the underlying structural issues that created the compliance challenge in the first place.

A more sustainable approach begins with data, governance and operating-model readiness.

The objective should be to establish an organizational capability that can support future claims consistently rather than validating individual claims on a case-by-case basis.

A practical implementation roadmap can be structured across four phases.

Phase I: Assess Current-State Readiness

The first phase focuses on understanding the current maturity of environmental claims management.

Organizations should begin by creating a comprehensive inventory of environmental claims and sustainability information used in business-to-consumer commercial practices. The review should cover statements made before, during and after a commercial transaction, including claims in advertising, product presentation, packaging, websites and sales materials. Corporate publications, procurement responses and sustainability reports should be included where their content is used in, or is directly connected with, the promotion, sale or supply of products to consumers; their treatment under other legislation should be assessed separately.

- Product packaging
- Product catalogues
- Product websites and e-commerce interfaces
- Sales materials directed at consumers
- Sustainability reports, procurement responses and customer questionnaires where directly connected with the promotion, sale or supply of products to consumers

Once claims have been identified, companies should evaluate the supporting evidence associated with each statement.

Key assessment questions include:

- Is supporting documentation available?
- Is the supporting evidence current?
- Is the methodology documented?
- Is ownership clearly defined?
- Is the evidence auditable?
- Can the claim be explained consistently?

The objective of this phase is to establish an enterprise-wide baseline regarding claims exposure and evidence maturity.

At the same time, organizations should assess supporting systems and data structures.

Questions include:

- Where is sustainability data stored?
- Which systems contain product information?
- Which supplier information is available?
- How are certificates managed?
- How are revisions controlled?

The output should be a comprehensive readiness assessment highlighting gaps, risks and priority areas.

EXECUTIVE DELIVERABLE

Enterprise EmpCo Readiness Assessment.

Phase 2: Design the Target Operating Model

Once current-state maturity has been assessed, organizations should define the future-state operating model.

This phase is primarily concerned with governance and accountability.

Leadership should define:

Ownership

Who owns environmental claims?

Potential responsibilities may span:

- Sustainability
- Regulatory Affairs
- Product Management
- Marketing
- Procurement
- Legal

Governance

Organizations should establish a formal claims governance framework.

This should define:

- Approval workflows
- Escalation rules
- Periodic reviews
- Documentation requirements
- Retention policies

Data Architecture

The target-state data model should also be defined during this phase.

A successful architecture typically integrates:

- Product master data
- Material information
- Supplier information
- Sustainability metrics
- Evidence documentation
- Compliance records

Technology Principles

Technology decisions should support long-term scalability.

Organizations should avoid standalone EmpCo databases where possible.

Instead, EmpCo requirements should be integrated into existing product information and compliance ecosystems.

EXECUTIVE DELIVERABLE

Future-State Environmental Claims Governance Framework.

Phase 3: Build the Information Foundation

The third phase focuses on implementation.

The objective is to establish the information assets required to support future claims.

Particular emphasis should be placed on:

Product Data Quality

Product information should be complete, structured and standardized.

Supplier Data Collection

Supplier onboarding programmes should be expanded to capture relevant sustainability information.

Examples include:

- Material declarations
- Recycled-content information
- Certifications
- Carbon footprint information
- Responsible sourcing evidence

Central Evidence Repository

Organizations should establish a dedicated repository containing:

- Certificates
- Audit reports
- Technical documentation
- Calculation methodologies
- Supplier declarations

The repository should be connected to relevant products and environmental claims.

System Integration

Manual information transfers create compliance risks.

Critical systems should therefore be integrated wherever feasible.

Potential integration points include:

- PLM
- ERP
- Supplier Management
- ESG Platforms
- Product Information Management Systems

The result should be a controlled and auditable information environment capable of supporting environmental claims.

EXECUTIVE DELIVERABLE

Enterprise Sustainability Evidence Platform.

Phase 4: Operationalize and Optimize

The final phase focuses on operational excellence.

Many organizations underestimate the importance of ongoing monitoring.

Environmental claims cannot simply be approved once and forgotten.

- Products evolve continuously.
- Suppliers change.
- Certificates expire.
- New regulations emerge.

As a result, environmental claims require lifecycle management.

Organizations should establish:

Monitoring Dashboards

Monitoring capabilities should track:

- Certificate validity
- Supplier compliance
- Data completeness
- Claims review schedules

Periodic Reviews

Environmental claims should be reassessed at intervals proportionate to their legal and factual risk, and when relevant products, suppliers, certificates, methodologies or supporting information change.

Regulatory Horizon Scanning

Organizations should maintain visibility regarding future regulatory developments including:

- Digital Product Passport requirements
- Eco-design measures
- Product transparency obligations
- Sustainability reporting developments

Continuous Improvement

Implementation should be treated as a maturity journey rather than a one-time project.

Capabilities should evolve over time as business requirements and regulations mature.

EXECUTIVE DELIVERABLE

Continuous Environmental Claims Governance Capability.

Twelve-Month Executive Roadmap

QUARTER	STRATEGIC OBJECTIVE
Q1	Claims inventory, risk assessment and readiness analysis
Q2	Governance design, ownership definition and target architecture
Q3	Data model implementation, supplier onboarding and evidence repository creation
Q4	Monitoring, optimization and integration into business-as-usual processes

This roadmap enables organizations to move systematically from fragmented sustainability communication toward governed environmental claims management.

IMPLEMENTATION PRINCIPLE

The goal is not merely compliance. The goal is sustainable enterprise capability.

11. Conclusion

EmpCo is a targeted consumer-protection measure with operational implications that extend beyond legal review.

By strengthening rules on environmental claims and specified consumer information, it also affects how relevant information is communicated, assessed and governed within organizations.

For many years, sustainability communication developed faster than the supporting information infrastructure required to substantiate claims. As environmental expectations increased across markets, organizations often responded by expanding sustainability messaging without developing equivalent governance and evidence capabilities.

EmpCo addresses this imbalance.

EmpCo strengthens the legal framework for environmental claims through targeted amendments addressing misleading actions, misleading omissions and specified commercial practices that are prohibited in all circumstances. Depending on the type of claim and the applicable provision, its content, presentation, scope and substantiation may determine whether it is lawful. Environmental statements should therefore be managed as consumer-facing commercial information subject to defined legal and governance controls.

This shift creates new responsibilities for leadership.

The challenge is no longer limited to reviewing packaging language or modifying website content.

Organizations should therefore consider whether their information architecture appropriately supports the environmental claims they use and the applicable legal and governance controls.

Depending on the claims used, the applicable rules and the organization's operating model, effective implementation may involve:

- Better data quality
- Stronger supplier transparency
- Formal governance
- Structured evidence management
- Integrated technology platforms

Organizations that view EmpCo solely as a compliance obligation will likely focus on reducing immediate risk.

Organizations that view EmpCo as a catalyst for digital product transparency will realize substantially greater benefits.

The same information foundation that supports environmental claims can also support:

- Sustainable portfolio management
- Eco-design initiatives
- Product transparency programmes
- Digital Product Passport readiness
- Supplier engagement
- Competitive differentiation

The strategic opportunity therefore extends far beyond compliance.

Companies that invest early in structured sustainability data, governance and product information architecture will be better positioned to adapt to future regulatory requirements while simultaneously strengthening customer trust and organizational resilience.

Ultimately, EmpCo challenges organizations to move from sustainability communication based on intention toward sustainability communication based on evidence.

That transition may increase complexity in the short term.

However, it also creates the foundation for a more transparent, data-driven and trustworthy product economy.

BOTTOM LINE

EmpCo should not be viewed solely as a restriction on sustainability communication. It should also be recognized as an opportunity to establish evidence-based product transparency as a strategic business capability.

Disclaimer

This white paper is intended as a strategic executive briefing and does not constitute legal advice. Organizations should assess the applicable national legislation implementing Directive (EU) 2024/825, together with the amended consumer-protection rules, relevant sector-specific Union law and the circumstances of each commercial practice. Interpretive materials and enforcement approaches may continue to develop, and only the Court of Justice of the European Union can provide an authoritative interpretation of Union law.

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Author Perspective: This paper presents an independent management interpretation of EmpCo through the lens of digital compliance, regulatory readiness, product information governance and PLM-enabled sustainability management. References to third-party organizations, certifications, platforms and publications are provided for identification and source attribution only and do not imply affiliation, sponsorship or endorsement.

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Regulatory Strategy Consulting Kunz supports organizations in navigating complex regulatory landscapes and transforming compliance into a source of strategic value. The practice provides independent strategic advice, expert assessments and project-based support for organizations facing regulatory change, sustainability transformation and complex compliance challenges.

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