



Compliance Forward: Best Practices to Prepare Your Supply Chain for Regulatory Changes in 2026 and Beyond

The regulatory landscape is shifting quickly. **Supply chain leaders must act now**, assessing risks and strengthening partnerships to ensure compliance and gain a competitive edge.

5 Key Areas to Prioritize in 2025



1/ Supply Chain Risk and Visibility

Map and monitor your supply chain in real-time to identify and mitigate risks. New regulations demand greater transparency and accountability. Upcoming laws like [Germany's Supply Chain Act](#), [The Corporate Sustainability Due Diligence Directive](#), and [The EU Deforestation Regulation](#) require companies to address risks—such as harmful substances, human rights violations, and climate impacts. To comply and strengthen resilience, companies should continuously assess risks and transition away from high-risk suppliers.



2/ Data Standardization and Transparency

Build trust with consumers, streamline compliance across the value chain, and reduce data debt by enabling data consistency with supply chain partners. Collaborating with both upstream and downstream partners to define data needs is critical to maximizing data use and ensuring clean, standardized data for AI applications. Upcoming regulations, such as the [EU's Corporate Sustainability Reporting Directive \(CSRD\)](#), will make global data standards mandatory by 2026, pushing companies to adopt standards like [ISO](#) and [GS1](#).



3/ Supplier Collaboration & Relationship Management

Build strong partnerships to respond swiftly to regulatory and market changes. With climate change, geopolitical turmoil, and complex regulations like the [CSDDD](#), [SEC Climate Act](#), [EUDR](#), [Digital Product Passports \(ESPR\)](#), and [emerging and expanding extended producer responsibility \(EPR\) laws](#), (U.S.) supply chains must be resilient and adaptable. By formalizing risk-sharing agreements, companies can foster a flexible, reliable supply chain prepared to reduce risk.



4/ Agile Production and Warehouse Management

Adopt flexible production and inventory strategies to address regulatory impacts on the supply base and country-specific production sites. The pandemic exposed the risks of having a rigid supply chain and highlighted the need for agility in sources of supply and production locations. Emerging laws will force restrictions on supply and production bases as well as sales in certain markets, making adaptability critical. Optimizing inventory, creating flexible logistics, and diversifying supply sources ensure resilience and responsiveness.



5/ Sustainable and Responsible Sourcing

Focus on sustainable and ethical sourcing to meet tightening regulations like the [UK Modern Slavery Act](#), [EUDR](#), [ESPR](#), [FTC Green Guides Update \(2025\)](#), and the [EU Greenwashing Directive](#). Misleading claims can lead to severe penalties, emphasizing the importance of supplier vetting, environmental and social audits, and claim substantiation. Ethical sourcing not only ensures compliance but also cuts costs, fosters brand loyalty, and strengthens consumer trust.