



Guidelines regarding Sustainability Claims

Version 2, 2023



Summary

The Netherlands Authority for Consumers and Markets (ACM) helps businesses phrase their sustainability claims in order to prevent consumers from being misled.

Sustainable consumption plays a major role in the transition to a more sustainable society. Consumers and companies want to contribute towards a world that is livable in the long term, and they find it increasingly important to make sustainable choices.

Sustainability claims can help consumers make more-sustainable choices if such claims are correct, clear, and relevant. If they are not, they may be misleading. In its 'Guidelines regarding sustainability claims', ACM has formulated five rules of thumb to help companies phrase their sustainability claims. The first two rules of thumb contain general rules for the phrasing and substantiation of all claims. Rules of thumb 3, 4 and 5 contain explanations about additional requirements that apply to certain claims. The rules of thumb in these Guidelines complement each other. Some overlap may thus occur.



Rule of thumb 1: Use correct, clear, specific, and complete sustainability claims

When phrasing a sustainability claim, please keep in mind the following:

1. Be aware of the **overall impression** that your claim creates through the combination of words and the images that are used.
2. Make sure that your claim is **factually correct**.
3. Phrase your claim in **specific** terms.
4. Phrase your claim using **plain language**.
5. Do not use any messages regarding the sustainability **objectives** of your company as claims for the promotion of your product.
6. Do not use claims to create the impression that **statutory requirements** or **standard characteristics** are sustainability benefits.

Additional points for attention apply to the phrasing of CO₂ compensation claims and using the claim 'organic'. Please refer to section 1.2 for more information.



Rule of thumb 2: Substantiate your sustainability claims with facts, and keep them up-to-date

When using sustainability claims, base them on facts. Keep in mind that consumers must be able to understand your claim as well as any explanations thereof.

With regard to the substantiation of your sustainability claim, please keep in mind the following three points for attention:

1. **Use a specific claim:** with specific claims, you immediately make clear what the sustainability benefit is of the product/company ('This is a fully-electric truck'). Avoid the use of absolute/general claims (such as the term sustainable or green). The requirements for the substantiation of such claims are strict, and these claims can only be used in very exceptional situations.
2. **Explain the sustainability claim:** using a sustainability claim alone is insufficient. It is important that you provide additional information about the product's sustainability benefit as well as the magnitude thereof. Consumers must be able to reach this explanation with no more than a single action. In addition, it is important that this explanation is concise and clear.
3. **Corroborate your claim:** you must be able to corroborate the claim that you make. The type of evidence that you must be able to submit depends on the claim that you make. Furthermore, there are differences in quality with regard to evidence, so please pay attention to trustworthiness, independence, and verifiability. Check regularly whether your claim is still valid, and revise it if necessary. In that way, consumers can remain confident that your claim is true.



Rule of thumb 3: Make fair comparisons with other products or competitors

Comparative claims can be of use to consumers by making clear what benefits the product/company has in comparison with other products or competitors. Make sure that comparisons with other products or competitors do not lead to confusion among consumers.

If you use comparisons, it is important that you keep in mind the following:

1. Make clear **what** you **compare** the product **with**, and on **what element** of a product the comparison is made.
2. Make sure that the product or company on which you base your claim is **similar** and uses **the same calculation methods**.
3. Substantiate the comparison with **up-to-date and objective facts**.
4. Use **common standard units** for the comparison (such as percentages).
5. Make sure that the comparative claim concerns **a significant characteristic / sustainability benefit**.



Rule of thumb 4: Describe your future sustainability ambitions in concrete and verifiable terms

It can be useful to consumers to know what your company's or product's sustainability ambitions are. Use a claim about future ambitions only for marketing purposes if there is a clear plan for realizing these sustainability ambitions.

The following points for attention apply to such plans:

1. Make sure that the plan is **concrete, verifiable, feasible, and specific**.
2. Make sure that the plan includes **continuous improvements / developments** for realizing your objectives.
3. Make sure that the plan can be **accessed** by consumers.
4. Make sure that you have **started** implementing the plan or that you will start with the implementation thereof in the foreseeable future.



Rule of thumb 5: Make sure that visual claims and labels are useful to consumers, not confusing

Visual claims and labels can provide in a simple manner information about certain sustainability characteristics of products. However, visual claims and labels can also be confusing. Considering the enormous number of existing labels, it is often not clear to consumers what certain labels exactly stand for, and what admission criteria they use.

ACM distinguishes between visual claims, independent labels, and private labels. Different points for attention apply to each group of claims/labels:

1. **Visual claims** must support your claim, and they cannot give a false impression of your product's characteristics. There needs to be a direct and verifiable link between the illustration and the sustainability benefit.
2. **Independent labels** are preferred over private labels. Only use a label if your product meets that label's criteria. The quality of labels varies, so only use labels that are trustworthy. When using independent labels, indicate clearly what the label stands for, and what criteria have been met.
3. The use of **private labels** is discouraged, because labels create high expectations among consumers, which often cannot be met. That is because consumers often think that labels are issued by the government or that they are checked by independent third parties. In reality however, most private labels lack a system of independent checks.

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Introduction

The Netherlands Authority for Consumers and Markets (ACM) has drawn up these Guidelines regarding Sustainability Claims (hereafter: the Guidelines). With these Guidelines, ACM explains to businesses the consumer rules regarding unfair commercial practices involving sustainability claims. Using rules of thumb, explanations, and real-world examples, ACM offers businesses guidance for phrasing and evaluating sustainability claims.¹ The examples serve as illustrations of sustainability claims that may be misleading or that actually comply with the rules. Whether a claim is truly misleading depends on the specific circumstances in each case. The most important message of these Guidelines is that consumers are able to make more-sustainable choices if businesses provide them with correct, clear, complete, and concrete information.

Companies are themselves responsible for complying with the rules. These Guidelines can be of help in that process, and contain several rules of thumb for sustainability claims. It is important that, in addition, you must take into account any case law and statutory amendments that have come out since the publication of these Guidelines.

2021 Guidelines regarding Sustainability Claims

In January 2021, ACM published its Guidelines regarding Sustainability Claims. In the years since, various sustainability-related developments have taken place. ACM has revised the Guidelines in order to bring them more in line with those developments. This revised version of the Guidelines contain ACM's current interpretations, and replaces the January 2021 version.²

ACM deals with misleading practices involving sustainability

The transition to a sustainable society is one of the greatest challenges of our time. More-sustainable production methods and consumption patterns are necessary for realizing this transition. Sustainability is becoming more and more important to consumers. They want to know more often what a product's impact is on sustainability, and take this information more and more often into account in their purchase decisions.³ Companies capitalize on this trend, for example, by using sustainability claims.

Sustainability claims often contain vague, misleading or uncorroborated information, or they miss a solid substantiation, according to a study of the European Commission.⁴ Claims must be true, because only then will consumers actually be able to make more-sustainable choices. Studies show that consumers often do not find sustainability claims trustworthy.⁵ It is difficult for them to check their veracity. That makes the need for phrasing sustainability claims accurately all the more important.⁶

It is also in your company's interest not to harm consumer confidence by using misleading claims. If consumers suspect a sustainability claim to be misleading, your company's trustworthiness may take a hit, and the purchase intent among consumers may go down, regardless of whether or not the claim is actually misleading.⁷ In addition, suspicions surrounding the possible misleading nature of sustainability claims may also reduce total consumer confidence in the transition to a sustainable society.

Effective transparency

Apart from compliance with the rules on unfair commercial practices, it is also important that you phrase sustainability claims for consumers in an effective and transparent manner vis-à-vis consumers. Make sure that the content of the sustainability claim is as clear and easy-to-understand as possible for consumers, so that consumers are actually able to take the claim into consideration in their decision-making process. It is sometimes necessary to rephrase your claim. That could mean that additional information or explanations are needed. In many other cases, however, it is about making the same information more specific or more concrete. For example, think of using other, more-concrete terms as claims.

Definitions in these guidelines

In these guidelines, ACM uses the following definitions:

- **Claim:** any visual or written communication, for example statements, claims, information, labels, slogans, brand names, company names, collections, filters, symbols, pictograms, company strategies, certification labels, certificates, or any other form of communication used for promoting sales.
- **Product:** “a good (including electricity), or service”.⁸
- **Sustainability claims:** the umbrella term for environmental claims, ethical claims, and lifespan claims regarding a product, service, or business (or business operation).
- **Environmental claims:** claims that give the impression that a product or activity of a company has few or no impact on the environment or is less harmful for the environment than competitor goods or services. The products in question get their environmentally-friendly appeal from, among other factors, their composition, the way in which they have been produced, the way in which they can be disposed of, or the fact that the consumption thereof is more energy-efficient or less polluting.⁹
- **Ethical claims:** claims that give the impression that the production of a product or activity of a company has been done in accordance with certain ethical standards, for example with respect to general working conditions, animal welfare and/or corporate social responsibility (CSR).
- **Lifespan claims:** claims that give the impression that a product can be used for a certain period of time, can be easily repaired, or will not break down easily.
- **Sustainability benefit:** the specific part of the product or lifecycle to which the sustainability claim refers, for example, the phase in which raw materials are extracted, transport, manufacturing, packaging and/or the disposal phase. Examples include: water-saving qualities, energy-saving qualities, green gas, CO₂ compensation, livable wages, vegan leather.
- **The magnitude of the sustainability benefit:** this can be expressed, for example, in percentages or in other units of measurement. Examples: a reduction in water consumption/emissions/soil pollution or an improvement in wages expressed in percentages.
- **Specific sustainability claims:** With specific claims, you make it clear in the claim what the sustainability benefit of the product / company is (for example, this is a fully-electric truck)
- **Absolute/general claims:** The claim is phrased using vague, absolute or general terms, which do not make it clear what the sustainability benefit is, and what the actual magnitude is. Examples of absolute/general claims are: *Sustainable*, *Climate-neutral*, *Environmentally-friendly* etc.

What are the rules in these Guidelines based on?

The guidance in these Guidelines is based on consumer law, in particular the rules on unfair commercial practices. These rules place boundaries on the degree to which businesses are allowed to promote products and services. When drawing these guidelines, ACM also took into account the Guidance on the implementation/ application of Directive 2005/29/EC on unfair commercial practices¹⁰ and national and European case law. You need to check for yourself whether you comply with all the relevant rules and regulations.

Attention: specific regulations!

Specific requirements apply to communications regarding specific products and services, for example to sustainability claims regarding food, and financial products/services. These can be found in special rules and regulations (including EU). These guidelines do not concern the interpretation of these specific rules and regulations (EU or otherwise). The rules regarding unfair commercial practices complement such rules and regulations insofar necessary, and serve as a 'safety net', so that consumers will always be sufficiently protected against unfair practices of companies. More information about specific rules and regulations (including EU) can be found in Annex 3.

Rule of thumb 1: Use correct, clear, specific, and complete sustainability claims

Sustainability claims will help consumers in their decision-making if those claims are correct, clear, specific, and complete. A misleading, meaningless or unclear claim will hurt confidence of consumers in the claim itself and in sustainability more broadly.

1.1 Points for attention when phrasing sustainability claims

When phrasing a sustainability claim, please keep in mind the following:

1. Be aware of the overall impression that your claim creates through the combination of words and the images that are used.
2. Make sure that your claim is factually correct.
3. Phrase your claim in specific terms.
4. Phrase your claim using plain language.
5. Do not use any messages regarding the sustainability objectives of your company as claims for the promotion of your product.
6. Do not use claims to create the impression that statutory requirements or standard characteristics are sustainability benefits.

❶ Be aware of the overall impression that your claim creates through the combination of words and the images that are used

When phrasing your sustainability claim, pay attention, in any case, to the combination of words, the images, and the specific colors that you use. This overall impression cannot create higher expectations among consumers about your product and its sustainability benefits than what you are able to fulfill.

Example: laser printer

In one of its ads, an electronics store uses a picture of a laser printer in a bird's nest, sitting on a tree branch, surrounded by a dense forest. Using a green font, the electronics store says: *Buy our printer. Make a difference.*

About this example

Although the ad does not explicitly claim that the product has any environmental benefits, the images in combination with the text do create the expectation that the product has considerable environmental benefits.

Upon closer examination, it turns out that the electronics store does not have any proof to demonstrate that the printer has limited or no negative effects on the environment. In this case, the ad is therefore misleading. The electronics store can prevent deception by not making the visual and textual claims.

2 Make sure that your claim is factually correct

In order to be sure that your claim is factually correct, it is important that you regularly review your claim, and revise it, if necessary. Technological developments, new comparable products, or other circumstances may result in your claim no longer being true.¹¹ Whether or not a claim is true also depends on the phrasing that you use, as well as the evidence that you have for the substantiation of the message. See rule of thumb 2 for more information about the explanation and evidence.



Example: natural gas

In one of its ads for an energy contract, an energy supplier claims: *Power generated by natural gas is clean energy, and does not burden the environment like power generated by coal.* According to the company, the claim is justified, because natural gas is one of the cleanest forms of fossil fuels in terms of environmental impact.

About this example

The claim is misleading. With the claim *Power generated by natural gas is clean energy*, the impression is given that natural gas is not polluting to the environment. That is factually not true, because, by using natural gas, nitrogen oxides are released, which harm the environment. In this case, it is difficult to make a sustainability claim, and the energy supplier could have easily left out the claim.

3 Phrase your claim in specific terms

An absolute or vague claim may result in consumers believing that a product offers more or greater sustainability benefits that it really does. Strict requirements must be met in terms of explanation and proof when using absolute or vague claims (See rule of thumb 2).

What is allowed?

- ✔ Use **specific sustainability claims**, for example: *70% recycled polyester, This is a fully-electric truck, or the cardboard box of the tv is recyclable.*
- ✔ Make clear what the **sustainability benefit** is and what part of the product or of the lifecycle the claim refers to, for example the phase of extracting the raw materials, transport, production, packaging and/or the disposal phase. In that way, you will prevent consumers from thinking that the claim concerns the entire product and production process when this is not the case.
- ✔ Make clear what **the magnitude of the sustainability benefit** is. Explain what the magnitude is of the product's positive impact or less negative impact on humans, animals and/or the environment.¹² Make the sustainability benefit measurable, for example, by using percentages or ranges. For example, express in percentages what the improvement is in terms of water consumption, emissions, soil contamination, or the improvement in workers' wages compared with the standard pay.
- ✔ Be **clear about conditional claims**, which are only true under certain circumstances or conditions. Make the claim's conditionality immediately clear to consumers together with the claim. If you do not, the claim may be considered misleading.



Example: recyclable packaging

An electronics store sells laptops. The packaging consists of a cardboard box with a plastic handle. The following claim is printed on the box: *The packaging is recyclable.*

About this example

The packaging is only recyclable if the plastic handle is removed. This means that the packaging is recyclable under certain conditions only. Make the conditions for the packaging's recyclability directly clear with the claim, by saying: *The packaging is recyclable after removing the plastic handle.*

What is not allowed?

- ✘ **Emphasizing small sustainability benefits** if the product has a negative impact (substantial or otherwise) on humans, animals, and the environment **can be misleading**. Businesses in highly polluting industries (for example, the clothing and fossil industries) must be extra careful when using sustainability claims, because their products often have a negative impact (substantial or otherwise) in terms of sustainability. In that context, claims can be considered misleading quite easily.¹³
- ✘ Do **not use sustainability claims if you need a lot of text** (especially complicated text) to specify and explain the claim. Only use sustainability claims if these are easy-to-understand for consumers.
- ✘ The use of **general or absolute terms** is, in many cases, misleading. General or absolute claims gives the impression among consumers that a product, in its entirety, has sustainability benefits (major or otherwise) or does not have a negative effect on humans, animals, and the environment. General and absolute claims are more likely to create confusion about the product's specific sustainability benefits. The evidentiary bar for such claims is high (see also rule of thumb 2).

Examples of general / absolute / vague terms

*environmentally-friendly, eco, green, nature's friend, ecological, sustainable, more sustainable, good for the environment, climate-friendly or friendly to the environment, non-polluting, biodegradable, zero emissions, low on carbon, reduced CO₂ emissions, carbon-neutral, climate-neutral, slave-free, conscious, responsible.*¹⁴

Attention!

Terms such as *conscious and responsible* are vague and ambiguous, because they can be about vastly different subjects. Next to the environment, humans, or animals, these terms can also concern, for example, economic or social conditions. These terms can be misleading, even when they are specified.¹⁵ When vague and ambiguous terms are used, they must be nuanced to such an extent that the claim can solely be interpreted in that business's intended manner.

Example: green on the road

A company has the following claim on the side of one of its trucks:
Green on the road. There is no explanation or specification on the truck.

About this example

The claim is misleading, because the specification of the sustainability benefit is missing. *Green on the road* is a general and absolute claim. This claim can give the impression that deliveries using that particular truck will have no negative impact on the environment.

This company can prevent such deception by using a specific claim: *This is a fully-electric truck.* In that way, it is immediately clear to consumers what the delivery's sustainability benefit is.



Example: sustainable delivery option

An online store sells mobile phones, and offers the following four delivery options during the ordering process:

1. *Sustainable delivery: delivery by bike,*
2. *Sustainable delivery: delivery by fully-electric bus,*
3. *Pick-up at pick-up location,*
4. *Regular delivery.*

About this example

The online store does not clarify that delivery option 1 means that the delivery by bike only applies to the last mile (from the pick-up location in the city in question to the consumer's home). Upon closer examination, it turns out that the product is shipped from a warehouse in Germany to the pick-up location in the city by van, and is subsequently delivered by bike from the pick-up location to the consumer's home.

The claim is misleading, as the consumer has insufficient information for making a well-informed decision. As such, it looks as if the option of delivery by bike is more sustainable than it actually is. In that way, the claim may give the impression that the product is delivered by bike all the way from the warehouse or a brick-and-mortar store. The online store must clarify the claim, specifying that this concerns a delivery by bike from the pick-up location to the consumer's home.



Example: green energy

On its website, an energy supplier uses the claim *Green energy*. In addition, it also uses the claim *green electricity and natural gas*. Upon closer inspection, it turns out that this supplier offers green electricity and natural gas with CO₂ compensation. For the supply of green electricity, so-called guarantees of origin (GO certificates) are cancelled. In connection with the supply of fossil gas, the supplier compensates CO₂ emissions by planting trees.

About this example

By using the claims *Green energy and green electricity and natural gas*, the supplier gives the impression that it supplies green power and natural gas, whereas this is not the case. That is misleading, because it is not clear to consumers that this is actually fossil gas with CO₂ compensation. Green gas is not involved here.

Attention!

The term *energy* can refer to electricity and natural gas. That is why it is important that this term is used correctly. If the supplier that uses the term *green energy* only refers to electricity, it must clarify this immediately. The energy supplier can change the claim to: *natural gas with CO₂ compensation and green electricity*.

4 Phrase your claim using plain language

Only if you use plain language will consumers have sufficient information about the sustainability benefits of the product in order to be able to make a well-informed purchase decision. When phrasing your claims, please keep the following in mind:

What is allowed?

- ✔ Keep your target audience in mind when choosing your language (youth, seniors, people without professional knowledge).
- ✔ Clarify your claims using words that are easy to understand, providing explanations, or by using supporting symbols. Rule of thumb 5 contains more information about the use of supporting symbols. See rule of thumb 2 for more information about the substantiation of claims.

What is not allowed?

- ✘ Avoid using jargon or difficult words.
- ✘ Avoid using claims that can have different meanings, as these may easily mislead consumers. Examples of such claims are *conscious and responsible*.

5 Do not use any messages regarding the sustainability objectives of your company as claims for the promotion of your product

A sustainability claim with a specific product can only concern the sustainability benefit of that specific product. Using claims about your company or future objectives to promote your product can be misleading.¹⁶



Example: water consumption and jeans

On the product page of a specific type of jeans, a clothing store uses the following claim: *By 2030, all of our jeans will have been manufactured with 30% less water compared with the standard production process.*

About this example

In the substantiation of its claim, it turns out that the company plans to reduce water consumption over the next few years. However, no water has been saved in the production of this particular type of jeans. This claim is misleading. The clothing store can prevent deception by refraining from linking these types of claims to specific products. You can present these types of claims, for example, on a page where you provide information about your sustainability initiatives.

⑥ Do not use claims to create the impression that statutory requirements or standard characteristics are sustainability benefits

Certain products are subject to statutory requirements or certain standards in the market, for example, concerning the composition and production of a product. If a statutory requirement or standard exists for a certain product, it cannot be used as a sustainability claim or substantiation thereof. That is misleading.



Example: paper without tropical timber

A company sells paper, and claims *Sustainable paper, does not contain any tropical timber.*

About this example

Tropical timber is never used in paper production, and is therefore, by default, a missing characteristic of paper. The claim may suggest to consumers that paper production involves tropical timber, and that the paper in question offers a key environmental benefit compared with other types of paper, whereas this is not the case. The claim *Sustainable paper, does not contain any tropical timber* is, in this case, misleading.

1.2 Rules regarding the use of specific terms: *CO₂ compensation and Organic*

Specific terms such as *CO₂ compensation and organic* are terms that are subject to additional requirements or are statutorily protected. You can only use them if your product meets certain criteria. The requirements for using these types of terms are often laid down in various sector-specific rules. Consult the specific regulations in your sector (see annex 3). More information about the use of several specific terms is given below.

CO₂ compensation claims

Companies increasingly seek to compensate the emissions that they produce. CO₂ compensation is not an alternative for reducing CO₂ emissions. Even with such compensations, the CO₂ emissions have taken place anyway, and they are not undone by those compensations. For the realization of the Paris climate goals, it is necessary to reduce all CO₂ emissions. CO₂ compensation cannot paint a distorted picture of reality. It can be a way for offering consumers and companies the opportunity to contribute to projects that capture or reduce CO₂. Research has shown that consumers have a hard time understanding information about CO₂ compensation.¹⁷

Do not use absolute claims based on CO₂ compensation such as *climate-neutral* or *net zero*. These types of claims can easily be misleading, even if you explain these claims. That is because consumers do not immediately understand that CO₂ compensation does not render the product itself less harmful to the environment / climate.

Phrasing CO₂ compensation claims

Do you use a claim about CO₂ compensation? If so, inform consumers clearly and factually. Use objective terms to explain to consumers what CO₂ compensation is. Make clear that CO₂ compensation does not mean that a product becomes less harmful to the environment, but that you compensate your product's CO₂ emissions by contributing to certain projects. Make also clear how CO₂ compensation takes place, for example by indicating what projects are involved, how much CO₂ is compensated, and how this is calculated.

Attention!

Independently-certified or independently-verified projects involving CO₂ compensation are often more trustworthy than those without independent verification. However, there are differences in quality and requirements between the independent inspectors. Pay attention to the risks and trustworthiness of the CO₂ compensation projects involved.¹⁸



Example: climate-neutral and net zero

An online store claims to be *CO₂-positive*, *climate-neutral* or *net zero*.

About this example

CO₂-positive, *climate-neutral* and *net zero* are absolute/general terms.

These types of terms can wrongfully give the impression that the online store does not negatively impact the environment.

Upon closer examination, it turns out that the online store uses these terms, because it uses CO₂ compensation. CO₂ compensation is insufficient as substantiation of these types of absolute claims. Therefore, the online store would be better off not using such claims.

The claim *organic*

In most cases, you can only use claims such as *organic*, *organic product* or *organic production* if the product meets the criteria set by special EU regulations regarding organic products or organic production methods. This is especially true for foodstuffs, for which Skal Biocontrole has been appointed as the control authority in the Netherlands.¹⁹ However, the claim is more and more often used for products for which there are no specific rules regarding the use of the term *organic*. This is particularly the case with textiles. In that case, please keep in mind the following points for attention:

A product contains *more than 95%* organic materials or ingredients

If there are no specific rules in place for the use of the term *organic* for a certain product, then the basic principle is that organic production protects various public interests such as the environment, biodiversity, natural resources, and animal welfare.²⁰ In that case, you can only claim that a product is *organic* if the percentage of materials or ingredients coming from certified organic production exceeds 95 percent, and any other (meaning non-organic) used materials or ingredients do not reduce or neutralize the benefits of the organic production.²¹

A product contains *less than 95%* organic materials or ingredients

If a product contains less than 95% organic materials, you cannot claim that the product is *organic*. If you still wish to tell consumers that your product is partially *organic*, then you must indicate the percentage of organic materials (for example: *contains 60% organic material X*). If it is not possible to give an exact percentage, you can use ranges, for example: *60-65% organic cotton*. However, the range must sufficiently inform consumers about the amount of sustainable material that the product contains, and cannot be too high.

Rule of thumb 2: Substantiate your sustainability claims with facts, and keep them up-to-date

If you use a sustainability claim, base it on facts. Substantiate the claim, and provide a clear explanation.

When substantiating a sustainability claim, keep in mind the following three points for attention:

1. Use a specific sustainability claim
2. Explain the sustainability claim
3. Corroborate your claim

2.1 Use a specific sustainability claim

There is a difference between specific sustainability claims and general / absolute sustainability claims. A **specific claim** makes it immediately clear in the claim itself what is sustainable about a certain product. Specific claims are the clearest for consumers, and will thus reduce the likelihood of deception. If you use a specific claim, make sure that the sustainability benefit of your product is immediately clear. Does the claim's explanation require a lot of text or is the explanation difficult to understand? If so, avoid using a sustainability claim (see rule of thumb 1).

A claim is considered to be **absolute / general / vague** if only a term is used that does not indicate a specific sustainability benefit and the magnitude of the sustainability benefit is unclear (see the examples of absolute / general terms in rule of thumb 1). Do not use any absolute / general / vague claims. The requirements for using absolute / general / vague claims are strict, which means that these types of claims can only be used in very exceptional situations. In order to use an absolute claim, you must demonstrate that your product does not have a negative influence on the subject that your claim is about, for example, animals, humans and/or the environment, using, for example, a Life Cycle Assessment (LCA) or the True Cost Method.²² This is currently not feasible for virtually all products.



Example: sustainable

An online clothing store calls several of its products *Sustainable*.

About this example

This is an absolute claim, which can only be used if a Life Cycle Assessment (LCA) is available to substantiate the claim. The LCA should reveal that the piece of clothing does not have a negative effect on humans, animals, and the environment. In this example, the clothing store does not have an LCA to substantiate the claim. Upon closer examination, it turns out that the online store can only prove that the piece of clothing is made from 100% organic cotton. In this case, the claim is misleading. The company cannot prove that the specific pieces of clothing do not have a negative effect on humans, animals, or the environment. The fact that a piece of clothing is made from 100% organic cotton is insufficient substantiation for the use of an absolute claim such as *sustainable*. The clothing store can prevent deception by specifying the claim, for example changing it to *100% organic cotton*.

2.2 Explain the sustainability claim

A sustainability claim in itself offers consumers insufficient information. Consumers need more information to be able to assess a product's sustainability benefit as well as its magnitude. Below are points for attention that are of importance for explanations of sustainability claims.

Location of the sustainability claim's explanation

- ✔ The explanation and magnitude of the sustainability benefit are placed near the claim as much as possible.
- ✔ If you use a sustainability filter, explain immediately with the filter what criteria the products that fall under that filter must meet. Make sure that the name of the filter is sufficiently specific.
- ✔ Sometimes, the packaging of products and/or other communication channels (such as posters, bill boards, magazines) leave little space for a further explanation of the sustainability claim. In such cases, explain clearly where the full explanation can be found.²³ The information cannot be more than one click or activity away from the sustainability claim in question. Make sure that consumers do not need to search for the claim's explanation.



Example: green power from the Netherlands

On its website, an energy supplier uses the following sustainability claim:
The majority of our green power is produced right here in the Netherlands!

About this example

According to the power disclosure label, only 20% of the supplied green power is Dutch wind energy. The remaining 80% is wind energy coming from the category 'Europe – elsewhere'. In addition, it is not clear where the power disclosure label is located: the label can only be found using the website's search function. The energy supplier can prevent deception by bringing the sustainability claim in line with the power disclosure label, and, for example, using the following claim: *20% of our green power is generated right here in the Netherlands.* The energy supplier must include a link with the claim, which will take consumers to the substantiation of the claim and thus to the power disclosure label.

Requirements for the sustainability claim's explanation

The following points for attention apply to the explanation:

- ✔ Explain as to why a specific element of the product (or the product in its entirety, if applicable) is more sustainable, and explain what the magnitude of the sustainability benefit is. In that way, the consumer will understand the claim, and will it be easier for the consumer to compare the nature and extent of your product's sustainability with that of other products.
- ✔ In the explanation, use, for example, concrete percentages, numbers, ranges, and avoid using unclear terms such as many, few, less, etc.
- ✔ **Attention!** If you do not provide any additional information or if you provide such information in an unclear or ambiguous manner, it may constitute deception. If there is no room for clarifying the sustainability claims, you cannot make the sustainability claim.²⁴



Example: Recycled polyester

In an ad for a t-shirt, a clothing retailer uses the following claim:
Recycled polyester.

About this example

The term *Recycled polyester* alone insufficiently informs consumers about the concrete sustainability of the product. Although the term *recycled* is a well-known term, it is necessary to mention the distinguishing sustainability characteristics, because most consumers are not aware of them. Finally, it is important that it is clear to consumers how much recycled polyester is used in the product.



Example: a filter called sustainable accommodation

An online platform for hotels uses the filter *Sustainable accommodation*. Certain hotels can fall under this filter on the basis of various sustainability initiatives. Examples of these mostly smaller sustainability initiatives are: *charging stations for electric vehicles* and *option of re-using towels*.

About this example

The claim and the filter *Sustainable accommodation* are misleading for various reasons:

- *Sustainable accommodation* is an absolute claim. Without a complete LCA, this claim cannot be used.
- An explanation of the filter *Sustainable accommodation* is missing. When using a filter, it is important that an explanation is given immediately, which explains what minimum criteria the accommodations that fall under this filter meet.
- When using a sustainability claim, it is important that it concerns a significant sustainability benefit. It remains to be seen whether this combination of smaller sustainability initiatives has a significantly positive impact on sustainability. Example: a hotel claims to be *Sustainable* because it offers its visitors the option of re-using their towels. This is not a significant sustainability benefit. It is just a small part of the total impact that the hotel has on sustainability, and therefore not significant enough for the hotel to claim it being *Sustainable*.

Conclusion

The platform can prevent deception by not using the claim.

2.3 Corroborate your claim

Once you use a sustainability claim, it is crucial that you substantiate and corroborate it.²⁵ A claim that you cannot corroborate with facts is misleading. ACM may demand the corroboration of a sustainability claim, and verify the claim.²⁶ That is why you must be able to explain what procedure, method (including calculation method) or criteria you use for corroborating your sustainability claim. The quality of the individual pieces of evidence may vary tremendously. In order to assess whether your evidence is sound, you can pay attention to the following three aspects: trustworthiness, independence, and verifiability. Finally, you can check whether certain pieces of evidence are scientifically accepted.

When using specific claims, you must be able to corroborate the alleged sustainability benefit. Make sure that the evidence of your claim is easy to understand. When using absolute/general claims, you must demonstrate that the product does not negatively impact the subject of your claim, for example animals, humans and/or the environment. You must prove this using standard methods, such as a Life Cycle Assessment (LCA) or the True Pricing Method.

Attention! If you use a claim such as *Sustainable*, you must be able to prove, for example using an LCA, that the product does not negatively impact humans, animals *and* the environment.

Make sure that your evidence is and remains up-to-date

By keeping the evidence corroborating your claim up-to-date, your claim will remain valid. New laws, standards, competitor products, and technological advancements may result in claims becoming irrelevant or even misleading to consumers. Regularly evaluate your claim, and change it, if necessary.²⁷



Example: out-of-date comparison

A company claims that its packaging produces *30% less waste than that of the national market leader*.

About this example

The company introduced this type of packaging in 2020, and, at the time, substantiated the claim by calculating the relative waste production of these two packagings. Upon closer examination, it turns out that the company has not demonstrated that the comparison is still valid. In this case, the claim is misleading. The company can prevent deception by performing new calculations and adjusting or removing the claim.

Rule of thumb 3: Make fair comparisons with other products or competitors.

Claims using comparisons of a product's or company's sustainability can be of use to consumers. Comparative claims make clear what benefits a product has in comparison with other products. Make sure that comparative claims do not lead to confusion about your product's or company's sustainability.

If you use comparative claims, keep in mind the following points for attention:

1. Make clear on what element of a product the comparison is made. The comparison may concern, for example, the various phases (of production, for example), the lifespan, or the product's post-use phase (the disposal phase).
2. Make clear what you compare your product with: for example, an older model, a competitor's model or a widely accepted standard in the market.
3. Make sure that the product or company on which you base your claim is a similar one. A product or company is similar if they meet the same needs or if they are for the same purpose.²⁸
4. Make sure that the comparative claim concerns a significant characteristic/sustainability benefit of your product of company.²⁹
5. Substantiate the comparison with up-to-date and objective facts (see also rule of thumb 2).
6. When comparing, use common standard units that consumers are familiar with and understand.
7. Only compare with a product or company if that product or company uses the same calculation methods, and consistently applies these methods. For example, do not compare the CO₂ emissions of your product excluding transport with the CO₂ emissions of your competitor's product including transport.³⁰



Example: Shoes with scores

A shoe store gives shoes a score based on their footprint. In that way, consumers know what shoes have less or the least impact on the environment. One of the store's summer shoes has an A score, which stands for the best choice in terms of sustainability.

About this example

This claim is misleading, because:

- Upon close examination, it turns out that the company compares summer shoes with ski boots. These are not similar products. The score of the summer shoes gives the impression that these are very sustainable, whereas the score was based on a comparison with ski boots. Summer shoes contain significantly fewer materials than ski boots, which makes it an unfair comparison.
- The A score creates high expectations among consumers. The company must explain immediately with the score what that score means. Such an explanation is missing.
- On the product page, a further explanation is missing about the sustainability benefit of the product, the calculation method for the score, and the product categories used by the shoe store.

The shoe store can prevent deception by:

- Explaining immediately with the A score what the sustainability benefit of this product is compared with other products.
- On the product page, adding an explanation about the scoring system, the calculations, and the product categories.
- In addition, it is important that the shoe store only compares similar products, and, for each product, explains what the specific sustainability benefits are.
- On the product page, providing a further explanation about the sustainability benefit and the magnitude thereof. In addition, it must explain how the score of the product in question came about.

Rule of thumb 4: Describe your future sustainability ambitions in concrete and verifiable terms.

Many companies have sustainability ambitions. It can be useful to consumers to know what your company's or product's sustainability ambitions are. When using claims about such ambitions, please keep in mind the following points for attention (see also rules of thumb 1 and 2):

1. Make clear whether your claim is about the current impact of your product/company on humans, animals and the environment or that your claim is about your sustainability *ambitions*.
2. You have a concrete plan for realizing your goals. It is important that this plan:
 - Consists of concrete actions, with which you indicate how you will realize your ambitions;
 - Contains continuous improvements/developments of your product or company, with which you gradually work towards your goals;
 - Is specific. Make clear whether your plan concerns a specific product or your entire company;
 - Is feasible and therefore realistic. A claim about a plan that is not or possibly not feasible can be misleading to consumers;
 - Is measurable/quantifiable. For example, express your ambitions in percentages, not in unmeasurable terms such as a *greener world within 5 years*;
 - Can be accessed and reached by consumers;
 - Has been launched or will be launched soon.³¹
3. Do not use sustainability ambitions as claims or substantiations for concrete products. This will wrongfully give the impression that these products have sustainability benefits, whereas this is, by definition, not true.
4. It is recommended you have your sustainability ambitions as well as the feasibility thereof assessed by an independent expert.

Example: Zero CO₂ in 2030

In an ad at a bus stop, a car manufacturer uses the following claim: *Zero CO₂ emissions in 2030*. The poster also depicts a large version of the logo together with a green landscape in the background.

About this example

The claim is misleading. Upon closer examination, it turns out that the company does not yet have any concrete plans or has taken any steps towards the stated goal of zero CO₂ emissions in 2030. Furthermore, it turns out that the company will likely not realize that goal. The company can therefore not use the above claim. If the company has a plan consisting of concrete actions, and demonstrates that a 40% reduction in CO₂ emissions in 2030 is realistic thanks to those actions, and has already started implementing that plan and those actions, then the company can use the claim 40% less CO₂ emissions in 2030 compared with 2023. In that context, it is obviously crucial that the company takes all rules of thumb into account.



Rule of thumb 5: Make sure that visual claims and labels are useful to consumers, not confusing

Visual claims and labels can help consumers make more-sustainable choices. They provide in a simple manner information about certain sustainability characteristics of products and make it possible to compare between different products. However, visual claims and labels can also be unclear or confusing to consumers.³²

Research has shown that the current ‘jungle’ of different labels and visual claims has led to uncertainty and confusion among consumers, for example with regard to the meaning of logos, and what admission criteria they use. In such situations, labels do not help consumers in their decision-making. It is critical that companies are aware of this.³³

Moreover, the quality of labels varies. Research of the European Commission raises the problem of labels whose verification is weak or for which no verification was conducted at all.³⁴ As a result, consumers are insufficiently able to distinguish between good or bad labels or logos. That makes them less able to take genuinely more-sustainable purchase decisions. This undermines the reputation of labels, and ultimately leads to reduced consumer confidence in sustainability labels.

ACM has called on companies to limit the number of logos and labels, and to make greater efforts to create good, uniform labels. Consumers attach more value to labels that have been introduced and checked by an independent organization³⁵ than to ones that have been developed by a company without any independent verification. Therefore, be critical if you wish to use your own sustainability logo or label.³⁶

Special requirements apply to the use of certain logos and symbols under specific rules and regulations. You can use such logos and symbols for your products, only if they meet these requirements (see annex 3).³⁷ In this rule of thumb, ACM distinguishes between the following claims / labels:

1. **Visual claims** are symbols, colors or pictures.
2. **Independent labels** are logos used, for example, on products or in ads. With such labels, the manufacturer promises a certain quality level of that product. The label owner checks whether the product meets that label’s criteria. The owner can outsource this verification to a certification company. If verification is done by an accredited certification company, it will be the most trustworthy.
3. **Private labels** are labels that a company has created itself. In most cases, there is no independent check to see whether a product meets the label’s criteria. However, research has shown that consumers often hope and think that labels are issued and checked by the government or independent third parties.³⁸ The likelihood of deception is thus high when using private labels. That is why ACM discourages the use of private labels.

5.1 Visual claims

When using visual claims, please keep in mind the following points for attention:

- ✔ Only use symbols, colors or pictures if these support your claim.
- ✔ Make sure that your visual claims do not give the wrong impression of your product's characteristics.
- ✔ Only use pictures of nature or other objects if there is a direct and verifiable link between the pictured object and the claimed sustainability benefit. For example, research has shown that the use of the color green or the picture of a tree or leaf may wrongfully give the impression among consumers that a product has certain environmental benefits (even though it does not) or meets a label's criteria.³⁹
- ✔ **Attention!** Visual claims can easily come across as absolute claims (see rule of thumb 1).



Example: A green leaf

A furniture store uses the image of a green leaf when selling tables, without providing any further explanation.

About this example

This is misleading. The image may create the expectation that the table does not negatively impact the environment. To avoid this, the company can use a concrete claim such as: *recycled wood was used in the production of this table*. This makes it instantly clear to consumers what the sustainability benefit is.

5.2 Independent labels

When using labels, please keep in mind the following points for attention:

- ✔ Make clear what a label stands for, and on the basis of what criteria that label is issued. This helps towards the recognizability of logos and their message.
- ✔ Be critical when choosing what labels to use: the quality of labels vary tremendously. Only use labels that guarantee significant improvements in terms of sustainability.
- ✔ Only use labels that support your claim, and that do not give the wrong impression of your product's characteristics.
- ✔ Only use labels if your product meet that label's criteria.
- ✔ **Attention!** Preferably, only use labels that have been verified by an independently recognized organization.⁴⁰ Labels create expectations among consumers, suggesting that your products meet the relevant requirements, and that an independent expert organization takes care of the verification of that label.⁴¹

Mass Balance System

There are labels that say that, when purchasing product with such a label, consumers 'contribute' towards the production of more-sustainable raw materials. In most cases, there is no guarantee that the product itself contains any raw materials that are more sustainable. This can be the case with a 'mass balance system'. The mass balance system is a purchasing method where certified and non-certified ingredients are mixed during the shipping and production process. In the cases of a mass balance system, make clear that the purchase of that specific product 'contributes' towards the production of more-sustainable raw materials, but that it is not a guarantee that the product itself contains more-sustainable raw materials.



Example: Claim Better Cotton Initiative (Mass Balance System)

A clothing company uses the claim *Organic cotton T-Shirt* and the Better Cotton Initiative (BCI) label.

About this example

Upon closer examination, it turns out that the clothing company cannot prove that the T-shirt has been made from organic cotton. That is because the Better Cotton initiative cannot guarantee that the T-shirt in question has been made from organic cotton. In this case, the claim is misleading.

Cotton production greatly affects the environment and labor conditions. Many clothing manufacturers are signatories of the Better Cotton Initiative in order to reduce these negative effects. If you use this label for marketing purposes, it is important that you inform consumers about this very clearly. On the basis of this label, individual products do not necessarily contain *better cotton*, but their buyers do contribute towards the production of better cotton.

Finally

Sustainability claims play a key role in the transition to a more-sustainable society. These Guidelines present ACM's current interpretation of what can be considered misleading in terms of sustainability. Future developments may, at some point, result in these Guidelines being revised.

Annex 1: Examples in clothing, aviation, and energy sectors

The below three examples come from the clothing, aviation, and energy sectors. With the help of the different rules of thumb, ACM will show how misleading claims can be adjusted.

Example: Clothing

1. Phrasing the claim

❌ **Incorrect:** The online store has an overview page with various products. The word *Sustainable* in a green font is displayed with some of these products in the upper left corner. This is misleading, because it is practically impossible for a piece of clothing not to have any negative effect on humans, animals, and the environment. The claim *Sustainable* is an absolute claim and the requirements for using such claims are very strict. An absolute claim can only be used if you are able to demonstrate that your product does not negatively impact humans, animals, and the environment. You can do so by using a full Life Cycle Assessment or the True Cost Method.

✅ **Correct:** Having an overview page with different products, and, with each product, using different claims, for example *85% organic cotton*, *75% recycled polyester* and *95% organic cotton*. In this way, it is immediately clear to consumers what the sustainability benefit is, and what the magnitude thereof is.



2. The explanation on the product page

❌ **Incorrect:** The online store uses the heading *product information* and briefly lists the used materials: 90% cotton, 10% polyester. Under the heading *Information about materials*, two materials are explained, which are:

- ① *Organic cotton: organic cotton is produced using technologies and materials that have a low environmental impact.*
- ② *Recycled polyester: recycled polyester is polyester that is re-used.*

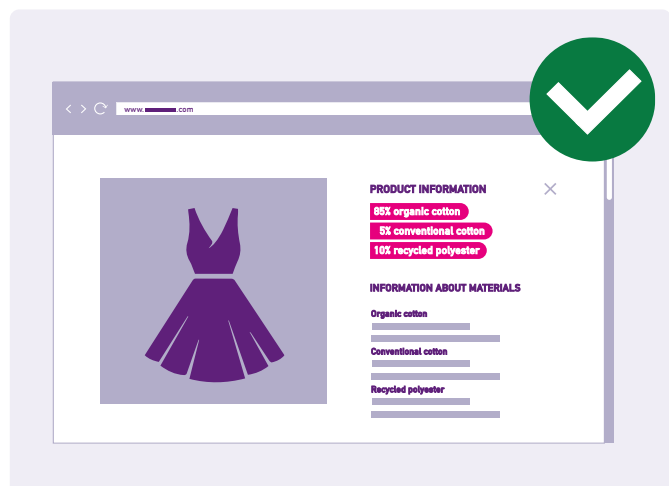
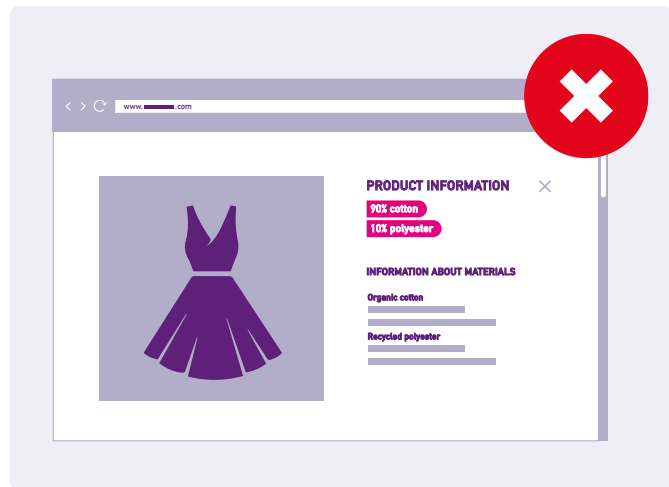
This explanation does not meet the requirements because:

- **The magnitude of the sustainability benefit is unclear.** Under the heading *Information about materials*, explanations about organic cotton and recycled polyester are given without mentioning any concrete percentages. This can create the expectation that the skirt is made from 90% organic cotton and 10% recycled polyester. Upon closer examination, this turns out not to be the case: the skirt is made from 50% organic cotton, 40% conventional cotton, 5% recycled polyester, and 5% conventional polyester.
- **The explanation of the sustainability benefit is unclear:** The explanation that the company uses for organic cotton and recycled polyester is not concrete and not clear. Consumers still do not know in what ways these sustainable materials are better than conventional materials, nor what the actual benefits are.
- In this example, the company fails to explain why the product **does not negatively impact** the environment, animals, and humans, even though the company does create that expectation with the claim “*Sustainable*”, see visual 1.

✅ **Correct:** The online store uses the heading *product information* and lists the materials used: 85% organic cotton, 5% conventional cotton, 10% recycled polyester. Under the heading *Information about materials*, the company offers a detailed explanation of the materials used.

This explanation meets the requirements because:

- **The magnitude of the sustainability benefit is clear.** The specific sustainability benefit and the magnitude thereof are explained. It is immediately clear to consumers that, of all the materials used in the product, 85% is organic cotton, and 10% is recycled polyester.
- **The explanation of the more-sustainable materials is clear.** The online store clearly explains what the benefits of organic cotton are compared with conventional cotton as well as those of recycled polyester compared with conventional polyester. In addition, it uses clear percentages to explain the magnitude of these sustainability benefits. As a result, consumers get a better picture of the benefits of a specific material.



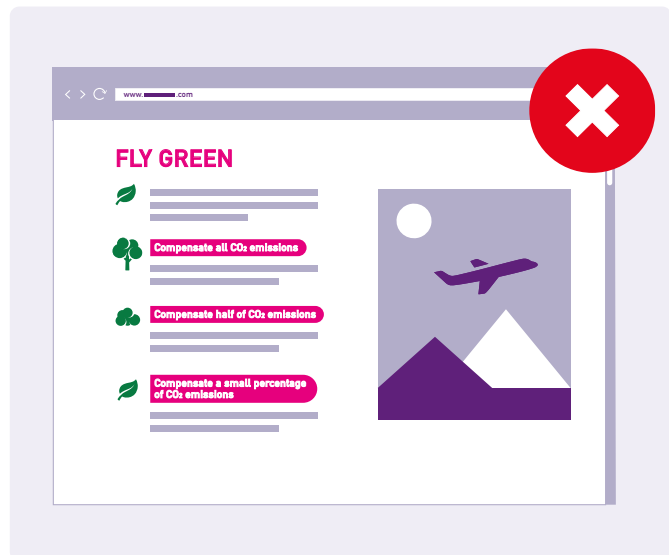
3. Evidence

✘ **Incorrect:** The online store uses the term *sustainable* and that means that it must be demonstrated that, in its entire life cycle (from the product's raw materials until its disposal phase), the product does not negatively impact humans, animals, or the environment. It can do so, for example, using an LCA or the True Cost Method. The online store does not have any such pieces of evidence, which renders the claim misleading.

✔ **Correct:** The online store claims *95% organic cotton*. The online cotton has a transaction certificate to demonstrate that the specific product is made from organic cotton.

Example: Aviation

✘ **Incorrect:** If consumers wish to buy airline tickets on the website of an airline ticket provider, they see the option *Fly green*. Below that option is a text box with the image of a green leaf next to it. The text reads: *Did you know that it is nowadays possible to have CO₂ be absorbed by trees? With this technology, you can neutralize your CO₂ emissions. By using this option, you fly completely green! Say goodbye to flight shame, since this option will make your flight carbon-neutral. The money you pay extra when selecting this option for CO₂ compensation will go to organizations that set up projects for capturing CO₂ from the air and preventing new CO₂ emissions. For example, we invest in forest conservation projects and in the use of sustainable energy in Africa.*



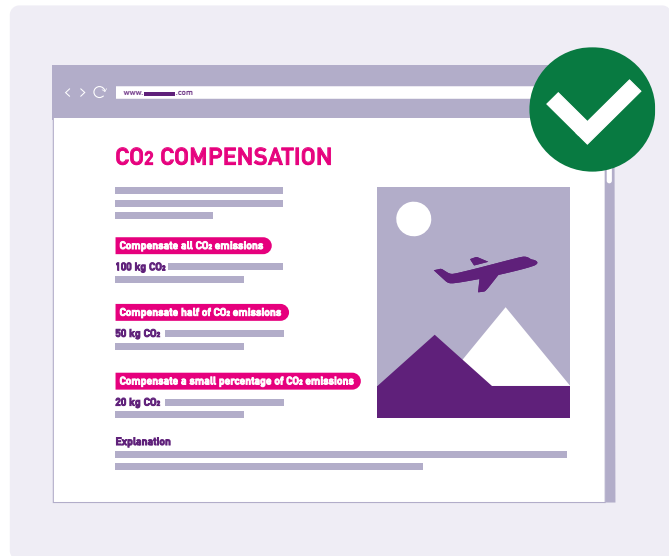
Below the text, three options are listed for compensating the CO₂ emissions of the flights:
Option ① Compensate all CO₂ emissions, which is accompanied by an illustration of a tree,
Option ② Compensate half of the CO₂ emissions, which is accompanied by an illustration of a bush and
Option ③ Compensate a small percentage of the CO₂ emissions, which is accompanied by an illustration of a small leaf. All of these options come with only prices for the CO₂ compensation. The company does not indicate how much CO₂ is actually compensated with each option.

The claim is misleading because:

- The company gives consumers the overall impression that flying with CO₂ compensation does not negatively impact the environment. This is caused by the use of the claim *Fly green* and by the color green, the images of trees, bushes, and the leaf.
- The company gives the impression that flying is *climate-neutral* if consumers pay for CO₂ compensation. This is not the case, since CO₂ is *still* emitted as a result of the flight.
- The company says that consumers are able to fly in a 'clean' manner. Flying with CO₂ compensation would mean that there are no CO₂ emissions. This is not true.
- The company fails to explain how much CO₂ emissions the company compensates with each option, and how this has been calculated.
- The company does not give any explanation about the CO₂ compensation projects.

✔ **Correct:** If consumers buy a ticket on the airline ticket provider's website, the option *CO₂ compensation* appears. Below that option, there is a text box with the following information: *Flying causes a lot of CO₂ emissions. With this option, you can invest into projects that capture CO₂ from the air or prevent CO₂ emissions from occurring elsewhere. Investing in these projects does not mean that your flight itself becomes more sustainable. We take part in three projects.*

On its website, the company offers information about the projects it takes part in for CO₂ compensation, where these take place, and what certificate authority has approved these projects. Below that text, there are three options: **Option ①** all CO₂ emissions of your flight, 100 KG CO₂, **Option ②** Half of the CO₂ emissions of your flight, 50 KG CO₂ and **Option ③** A fixed amount of CO₂, 20 KG CO₂. And this is followed by a brief explanation of the calculation method for the CO₂ emissions.



The claim meets the requirements because:

- The claim that the company uses is factual. The company does not give the impression that CO₂ compensation suddenly makes flying sustainable or green.
- The company explains what CO₂ compensation is and what the effect is, which is that investments are made in projects for capturing CO₂ from the air or for preventing CO₂ emissions elsewhere.
- The company clearly explains that CO₂ compensation does not result in the flight itself becoming cleaner or more sustainable. The company clearly indicates how much CO₂ emission is compensated, and explains the calculation of the amount of CO₂ compensation.
- The company clearly indicates in what projects investments have been made, where these projects take place, whether the projects have been certified, and what those certificates are. Finally, the company also explains what the projects entail.

Example: Energy

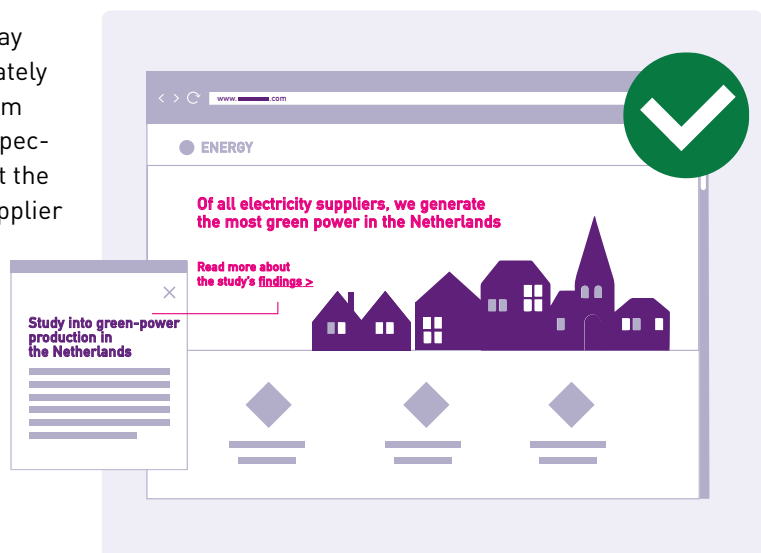
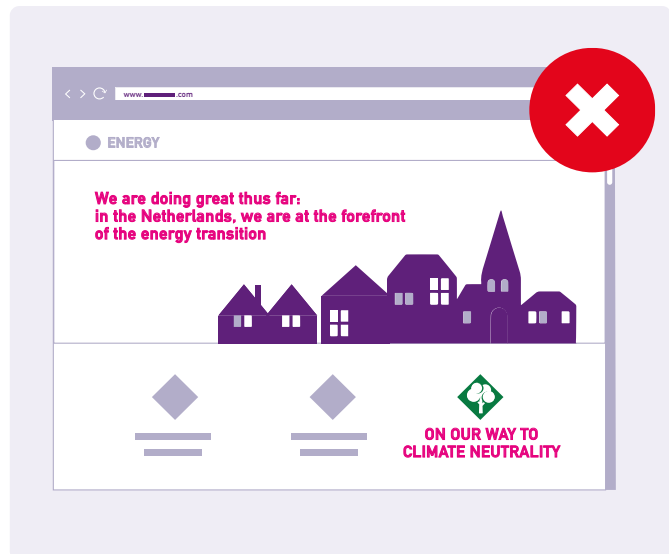
1. The phrasing of the claim

❌ **Incorrect:** On the homepage of its website, an energy supplier uses the following claims: *We are doing great thus far: in the Netherlands, we are at the forefront of the energy transition and on our way to climate neutrality.* The claims are clearly and fully visible.

In the first claim, it is unclear what is meant by *at the forefront*. The claim is general, and needs to be specified. In this case, the supplier must indicate directly with the claim in what exactly it is at the forefront. It is unclear with whom the supplier compares itself, and on the basis of what the comparison is made.

Finally, this example misses the link to the explanation of the sustainability benefit. This is also true for the claim *on our way to climate neutrality*. Moreover, climate neutrality is an absolute claim, which can only be fulfilled in very exceptional situations.

✅ **Correct:** The supplier can take away this uncertainty by indicating immediately with the sustainability claim with whom the supplier compares itself, and by specifying in what exactly the supplier is at the forefront. For example, the energy supplier can use the following claim: *Of all electricity suppliers, we generate the most green power in the Netherlands, read more about the study's findings.* The supplier can leave out the claim *on our way to climate neutrality* in order to prevent deception.



2. The claim explained

✘ **Incorrect:** The claim *We are doing great thus far: in the Netherlands, we are at the forefront of the energy transition* also misses the link to more information about / an explanation of the claim and sustainability benefits. This substantiation must be accessible for consumers with no more than a single mouse click. The claim *on our way to climate neutrality* also misses this explanation.

✔ **Correct:** On the homepage of its website, an energy supplier uses the following claim: *Of all electricity suppliers, we generate the most green power in the Netherlands, **Read more about the study's findings***. The underscored text is a link to a page on the website where the sustainability claims are explained. On that page, the supplier explains on what it bases its claim: on what study, who carried out the study, and what the relevant results of the study were.

3. Evidence

The energy supplier must have an academic study of an independent expert who can substantiate its claim *Of all electricity suppliers, we generate the most green power in the Netherlands*. Upon request, the energy supplier must be able to submit the study that is referred to.

With regard to the claim *on our way to climate neutrality*, the supplier must demonstrate that there is a concrete, realistic plan for eliminating the impact on humans, animals, and the environment. In many cases, this is not feasible, as a result of which the energy supplier would be better off not using that claim.

Annex 2: about these guidelines

Why does ACM focus on sustainability?

The transition to a sustainable society is one of the greatest challenges of our time. Producing and offering more-sustainable products is a cornerstone of this transition. More and more companies switch to more-sustainable products, and they also wish to show consumers that they do so. Consumers must be able to have confidence that sustainability claims are correct. If companies use correct, clear, and complete sustainability claims, it will help consumers make well-informed choices. Furthermore, it offers companies the opportunity to promote the sustainability aspect of their products and services, and, in this way, it boosts competition on sustainability. Furthermore, better information about sustainability of products and services can help towards a more-sustainable lifestyle. That is for the Netherlands Authority for Consumers and Markets (ACM) reason to focus on sustainability. It is no coincidence that ACM's mission is: ensuring that markets work well for all people and businesses, now and in the future.

Whom are these guidelines for?

These guidelines are for anyone who is involved in making sustainability claims for products and services, for example marketeers, compliance officers, and legal advisors. In addition, these guidelines explain to lobby groups, trade associations, and consumer organizations how ACM assesses sustainability claims. In addition, the information in these guidelines is meant to inform consumers about their rights.

What is the role of the Netherlands Authority for Consumers and Markets?

ACM is an independent regulator. ACM's mission is to ensure that markets work well for people and businesses, now and in the future. Sustainable production and consumption are key elements of the transition towards a sustainable society. ACM wishes to create the right conditions for stimulating the energy transition and the sustainability transition. ACM does so, for example, by enforcing compliance with the rules and regulations that businesses need to comply with when dealing with consumers. ACM, on behalf of the government, checks whether businesses comply with those rules. ACM can take action if businesses fail to do so. In its Guidelines on Sustainability Agreements: Opportunities within Competition Law, ACM also offers clarity with regard to the question of under what circumstances competitors are allowed to work together in order to realize sustainability goals.

Annex 3: Sector-specific rules and regulations

Below is a list of references to sector-specific rules and regulations that concern sustainability claims. Enforcement of compliance with these rules is carried out by other organizations (including government agencies). Please note that this is not an exhaustive list, and it is your responsibility to check whether additional rules apply to the claims that you use.

- **Car-tire labels:** the *Act on the implementation of the market surveillance regulation* (in Dutch: *Wet uitvoering markttoezichtverordening*) concerns the labelling and sustainability claims of car tires with regard to their fuel efficiency and other essential parameters.
- **Ecological design:** *The Environmental Management Act* (in Dutch: *Wet Milieubeheer*) and the *Ecodesign Directive* impose requirements on the ecological design of, for example, LED lights, heating equipment, and domestic electronic devices.
Attention! There are different EU regulations that set specific requirements per product group. These requirements are often about energy consumption reductions, lifespan, and the availability of spare parts. Please consult the regulations that apply to your specific product.
- **Energy labels for energy-related products:** *Regulation (EU) no 2017/1369* concerns the energy labels of, for example, domestic appliances and other electronic devices. This concerns both the control aspects and the mandatory display of these labels as well as the verification of the veracity of these labels.
- **Energy labels for passenger cars:** The *decree on the labelling of the energy consumption of passenger cars* (in Dutch: *Besluit etikettering energieverbruik personenauto's*) concerns the labelling of sustainability claims for passenger cars with regard to their energy consumption. This concerns new cars and imported vehicles that have not yet been sold to consumers. Vehicles for special purposes do not fall under this oversight, for example fire trucks and armored vehicles, vehicles on two or three wheels, and second-hand cars.
- **Energy labels for homes:** The *Energy Performance (Buildings) Decree* (in Dutch: *Besluit energieprestatie gebouwen*) and the *Energy Performance (Buildings) Regulations* (in Dutch: *Regeling energieprestatie gebouwen*) ensure that there are valid energy labels when selling or renting out homes, and in commercial ads for such homes.
- **Financial services or products:** The *Financial Supervision Act* (in Dutch: [Wet op het financieel toezicht](#)) and the *Unfair Commercial Practices Act* (in Dutch: [Wet Oneerlijke Handelspraktijken](#)) concern sustainability claims regarding financial products or services.
- **Glass articles:** The *glass articles (commodities act) decree* (in Dutch: *warenwetbesluit glas-artikelen*) stipulates that specifications with regard to glass articles that are misleading with respect to their nature or composition are prohibited.

- **Nutrition/foodstuff:** *Regulation 178/2002* stipulates that the labelling, advertising and presentation of food or feed, including their shape, appearance or packaging, the packaging materials used, the manner in which they are arranged and the setting in which they are displayed, and the information which is made available about them through whatever medium, cannot mislead consumers. *Regulation 1169/2011* stipulates that food information cannot be misleading, “particularly as to the characteristics of the food and, in particular, as to its [...] method of manufacture or production.”
- **The claim Organic on products, foodstuff, feed, plants, and bulbs:** Skal Biocontrole enforces compliance with the rules regarding the term Organic. For a complete overview of the rules and regulations that SKAL Biocontrole enforces, go to: skal.nl/wetgeving.
- **Plant protection products:** Under *Regulation 1107/2009*, ads for plant protection products cannot contain any information (either in text or graphic) that could be misleading as regards possible risks to human or animal health or to the environment, such as the terms ‘low risk’, ‘non-toxic’ or ‘harmless’. Annex 1 to *Regulation 2011/547* stipulates: In no circumstances may the label of the packaging of a plant protection product bear the indications ‘non-toxic’, ‘harmless’, or similar indications. However, information that the plant protection product may be used when bees or other non target species are active, or when crops or weeds are in flower or other such phrases to protect bees, or phrases with similar information concerning the protection of bees or of other non-target species, may be included in the label, if the authorization explicitly allows use under such conditions.
- **Prescriptions drugs for human use:** *The Medicines Act* (in Dutch: Geneesmiddelenwet) stipulates that misleading advertising for prescription drugs is prohibited.
- **Sustainability claims in advertisements:** When phrasing their claims, companies must also comply with the rules for producing responsible advertisements, which have been laid down in the Dutch Advertising Code (in Dutch: Nederlandse Reclame Code, or NRC). These rules have been drawn up by the Dutch advertising sector itself, and are managed by the Advertising Code Foundation (in Dutch: Stichting Reclame Code, or SRC). The NRC consists of general rules (such as the prohibition of deception) and of special advertising codes (such as the Sustainability Advertising Code, or CDR). If a consumer, company, or organization believes that a specific advertisement is at odds with the NRC, they can file a complaint with the SRC. The foundation facilitates the complaints procedure for the Advertising Code Committee and Board of Appeal, which are able to hand down rulings on concrete advertisements. ACM conducts additional oversight, where necessary, over advertisements. For more information, see the rules of the SRC:
 - Sustainability Advertising Code (in Dutch): reclamecode.nl/nrc/code-voor-duurzaamheidsreclame-cdr
 - Rulings of the Advertising Code Committee (in Dutch): reclamecode.nl/uitspraken
- **Tobacco and related products:** Under the *Tobacco and smoking products regulations* (in Dutch: Tabaks- en rookwarenregeling) and *Directive 2014/40/EU*, the labelling of unit packets, outside packaging and the tobacco product itself cannot contain any element or characteristic that suggests that a certain tobacco product is more biodegradable or has other environmental benefits.

Annex 4: Endnotes

1. Section 3A of Book 6 of the Dutch Civil Code
2. [Guidelines regarding Sustainability Claims](#).
3. [Global Sustainability Study 2022: the Growth Potential of Environmental Change](#) - Simon-Kucher.
4. Environmental claims in the EU: Inventory and reliability assessment Final report, European Commission 2020. Available at ec.europa.eu/environment/eussd/smgp/pdf/2020_Greenclaims_inventory.zip.
5. In the 2022 Monitor on Brands and Society (in Dutch: Monitor Merk en Maatschappij 2022), 41% of respondents said they distrusted sustainability claims, which is an indication that many consumers, in general, do not trust the contents of sustainability claims.
See [Monitor Merk & Maatschappij 2022: duurzaam gedrag consumenten is conjunctuurgevoelig - MarketResponse](#).
6. Atkinson, Lucy. (2013). "Clarifying, Confusing or Crooked? Interpretations of green advertising claims by ethically minded consumers." In M. Drumwright and S. Reese (Eds.) Ethical Issues in Communication Professions: New Agendas in Communication. New York: Routledge.
7. Newell, S. J., Goldsmith, R. E., & Banzhaf, E. J. (1998). The effect of misleading environmental claims on consumer perceptions of advertisements. *Journal of Marketing Theory and Practice*, 6(2), 48-60.
8. See Section 6:193a, sub c, Dutch Civil Code, by "product", the following is meant: a good, including electricity, or service.
9. Guidance on the interpretation and application of Directive 2005/29/EC of the European Parliament and of the Council concerning unfair business-to-consumer commercial practices in the internal market (hereafter: UCP Guidance (2021)), p. 72.
10. UCP Guidance (2021).
11. UCP Guidance (2021), p.77.
12. UCP Guidance (2021), p.78.
13. UCP Guidance (2021), p.78.
14. UCP Guidance (2021), p.76.
15. UCP Guidance (2021), p.77.
16. UCP Guidance (2021), p. 81.
17. [ACM publishes behavioral research into CO₂ compensation when purchasing airline tickets](#).
18. [AFM Occasional paper: Voluntary Carbon Markets](#).
19. [Skal Biocontrole](#).
20. According to preamble 1 of Regulation (EC) No. 834/2007, organic production is an overall system of farm management and food production that combines best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes. The organic production method thus plays a dual societal role, where it on the one hand provides for a specific market responding to a consumer demand for organic products, and on the other hand delivers public goods contributing to the protection of the environment and animal welfare, as well as to rural development."
21. This percentage of 95% follows from Article 23, fourth paragraph, sub a, under ii of Regulation 834/2007. In this context, see also the Danish Competition and Consumer Authority, which uses as a starting point that textiles and cosmetics can be designated as "Organic" if at least 95% of all components of the product in question come from certified organic plant and/or cattle production. Other components cannot materially reduce or neutralize the benefits of the organic cultivation. See ["Guidance from the Consumer Ombudsman on the use of environmental and ethical claims"](#), p. 14-16. In these textiles and cosmetics industries, different labels are active that use the standard of 95% for the use of the term "Organic".
22. [Commission recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organizations](#).
23. UCP Guidance (2021) p.80.
24. UCP Guidance (2021), p. 80.
25. UCP Guidance(2021), p. 82.
26. UCP Guidance(2021), p.81.
27. UCP Guidance (2021), p. 82.

28. UCP Guidance (2021), p. 83.
29. UCP Guidance (2021), p. 78.
30. UCP Guidance (2021), p. 83.
31. In this context, see also the Danish Guidance from the Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing ([vejledning-om-miljoemaessige-paastande-engelsk-udgave-2.pdf \(forbrugerbudsmanden.dk\)](#)), p. 24-25.
32. [Influence of sustainability labels on confidence, comparability, and understanding](#) (in Dutch).
33. [Study into the knowledge, attitude, and behavior of consumers with regard to labels](#) (in Dutch).
34. [Preparatory study to gather evidence on ways to empower consumers to play an active role in the green transition.](#)
35. [Influence of sustainability labels on confidence, comparability, and understanding](#) (in Dutch).
36. [InSight 2020 - Better certification labels are necessary for making sustainable choices easier | ACM.nl.](#)
37. Example. For using the European organic label for foodstuffs, you will need to meet certain statutory requirements, see the website of [Skal](#).
38. [Influence of sustainability labels on confidence, comparability, and understanding](#) (in Dutch).
39. See for example E. van der Zee and A. Fischer, Green Pictograms on EU Foods: A Legal Study Informed by Behavioral Science, Journal of Europe.
40. The independence of the label-issuing organization can be demonstrated by the fact that it is recognized by the Dutch Accreditation Council (RvA). The RvA is designated by the government as the national accreditation authority. It oversees organizations that issue labels, certificates, and other conformity statements. This may concern labs, inspectorates, and certification authorities. The RvA assesses their expertise, impartiality, and independence. If they pass the assessment, the organization will become accredited.
41. [Influence of sustainability labels on confidence, comparability, and understanding](#) (in Dutch), p. 4.