

## Appendix B

### Relevant Extracts of OECD Guidelines and other codes

#### OECD Guidelines Chapter VI, para 1

*“In particular, enterprises should:*

1. *Establish and maintain a system of environmental management appropriate to the enterprise associated with the operations, products and services of the enterprise over their full life cycle, including by carrying out risk-based due diligence, as described in Chapter II, for adverse environmental impacts, including through:*
  - a) *identifying and assessing adverse environmental impacts associated with an enterprise’s operations, products or services, including through collection and evaluation of adequate and timely information regarding the adverse impacts associated with their operations, products and services and where activities may have significant adverse environmental impacts, preparing an appropriate environmental impact assessment;*
  - b) *establishing and implementing measurable objectives, targets and strategies for addressing adverse environmental impacts associated with their operations, products and services and for improving environmental performance. Targets should be science-based, consistent with relevant national policies and international commitments, goals, and informed by best practice;*
  - c) *regularly verifying the effectiveness of strategies and monitoring progress toward environmental objectives and targets, and periodically reviewing the continued relevance of objectives, targets and strategies;*
  - d) *providing the public, workers, and other relevant stakeholders with adequate, measurable, verifiable (where applicable) and timely information on environmental impacts associated with their operations, products and services based on best available information, and progress against targets and objectives as described in paragraph 1.b;*
  - e) *providing for, or co-operating in, remediation as necessary to address adverse environmental impacts the enterprise has caused or contributed to, and using leverage to influence other entities causing or contributing to adverse environmental impacts to remediate them.”*

## **OECD Guidelines Chapter VI, para 5**

*“In particular, enterprises should:*

*[...]*

*5. Continually seek to improve environmental performance, at the level of the enterprise and, where appropriate, entities with which they have a business relationship, including by:*

- a) adopting technologies, where feasible best available technologies, to improve environmental performance;*
- b) b) developing and providing products or services that have no undue environmental impacts; are safe in their intended use; are durable, repairable and can be reused, recycled, or disposed of safely and that are produced in an environmentally sound manner that uses natural resources sustainably, minimises as far as possible energy and material input as well as generation of pollution, greenhouse gas emissions and waste, in particular hazardous waste;*
- c) c) promoting higher levels of awareness among customers of the environmental implications of using the products and services of the enterprise, including by providing relevant and accurate information on their environmental impacts (for example, on greenhouse gas emissions, impacts on biodiversity, resource efficiency, reparability and recyclability or other environmental issues)”*

## **OECD Guidelines Chapter VIII, para 2, and para 97**

*“In particular they should:*

*[...]*

*2. Provide accurate, verifiable and clear information that is sufficient to enable consumers to make informed decisions, including information on the prices and, where appropriate, content, safe use, environmental attributes, maintenance, storage, disposal of goods and services, and relevant ecommerce disclosures such as privacy issues, and information about available dispute resolution and redress options. The information should be presented in a comprehensible and easily accessible manner using plain language, while also regarding the needs of accessibility for consumers with disabilities. Where feasible this information should be provided in a manner that facilitates consumers’ ability to compare products.*

*[...]*

*97. Paragraph 2 concerns information disclosure. It calls for enterprises to provide information which is sufficient for consumers to make informed decisions. The way information is provided in the online area should be tailored and adapted to the*

*consumer's means of access. This would include information on the financial risks associated with products, where relevant. Furthermore, in some instances enterprises are legally required to provide information in a manner that enables consumers to make direct comparisons of goods and services (for example, unit pricing). In the absence of direct legislation, enterprises are encouraged to present information, when dealing with consumers, in a way that facilitates comparisons of goods and services and enables consumers to easily determine what the total cost of a product will be. It should be noted that what is considered to be "sufficient" can change over time and enterprises should be responsive to these changes. Any product and environmental or social claims that enterprises make should be based on adequate evidence and, as applicable, proper tests and verification. Claims may apply both to the way a product or service was produced and to the attributes of the product or service itself. Given consumers' growing interest in environmental and social issues and sustainable consumption, information should be provided, as appropriate, on the environmental or social attributes of products and services. This could include information on the energy efficiency and the degree of recyclability, durability, and reparability of products, the sustainability attributes of financial products and services or, for example, in the case of food products, information on agricultural practices or nutritional attributes."*

#### **OECD Guidelines Chapter VIII, para 4**

*"Not make representations or omissions, nor engage in any other practices that are deceptive, misleading, fraudulent unfair or that otherwise subvert consumer choice in ways that harm consumers or competition."*

#### **CAP Code Rule 11**

*"11.1 The basis of environmental claims must be clear. Unqualified claims could mislead if they omit significant information.*

*11.2 The meaning of all terms used in marketing communications must be clear to consumers.*

*[...]*

*11.4 Marketers must not suggest that their claims are universally accepted if a significant division of informed or scientific opinion exists.*

*[...]*

*11.7 Marketing communications must not mislead consumers about the environmental benefit that a product offers; for example, by highlighting the absence of an environmentally damaging ingredient if that ingredient is not usually found in*

*competing products or by highlighting an environmental benefit that results from a legal obligation if competing products are subject to that legal obligation.”*

## **CMA Guidance**

### ***“Claims must be truthful and accurate***

*For consumers to make informed choices about what they buy, environmental claims must be truthful and accurate. Claims must not mislead consumers by giving them an inaccurate impression, even if those claims are factually correct. They must only give consumers the impression that a product, service, process, brand or business is as green and sustainable as it really is. Claims must be clear and unambiguous.*

*[...]*

### ***Claims must be clear and unambiguous***

*Claims should be worded in a way which is transparent and straightforward so consumers can easily understand them. They should not be presented in ways that are liable to confuse consumers or to give the impression that a product, service, brand or business is better for the environment than it is.*

*[...]*

### ***Claims must not omit or hide important information***

*What claims don't say can also influence the decisions consumers make. Claims made by businesses must not omit or hide information that consumers need to make informed choices.*

*These sorts of omissions can occur where claims focus on saying one thing but not another, or where they say nothing at all. It is vital that businesses pay close attention to the information on environmental impacts that consumers need to make decisions and reflect that in the claims they make.*

*[...]”*

## ICC Framework for Responsible Environmental Marketing Communications 2019, p. 11

<b>ICC Principles</b> General Provisions on Advertising and Marketing Communication Practice	<b>ICC Principles</b> Chapter D—Environmental Claims in Marketing Communications	<b>Other Considerations</b> in Environmental Marketing Communications
	<p><b>Article D4: Superiority and comparative claims</b></p> <p>Environmental claims for products should not be based on the absence of a component, ingredient, feature or impact that has never been associated with the product category concerned. Conversely, generic features or ingredients, which are common to all or most products in the category concerned, should not be presented as if they were a unique or remarkable characteristic of the product being promoted.</p>	<p>Some claims that are literally true may be misleading because they exaggerate the benefits of the product. For example, a claim that a product contains “twice as much recycled content as before” when the amount was very low to begin with could be misleading. Claims conveyed through statements that a product “does not contain” a chemical or is “free of” that chemical may also fall in this category. These claims may be misleading if the substance, such as a chlorofluorocarbon (CFC) or hydrochlorofluorocarbon (HCFC), was never associated with the particular product. For example, dishwashing liquid might be advertised as containing “no CFCs” or being “CFC-free.” However, if dishwashing liquid products never contained CFCs, the implication that the product has been improved through removal of CFCs may be deceptive. At the same time, there may be circumstances where such a claim would be helpful to consumers, for example, if consumers might believe CFCs were an ingredient because it is common in the product category, or the marketer is responding to misperceptions in the marketplace about the ingredients. The issue of “relevance” must be considered in the context of the totality of the claim and developments in the marketplace, and the net impression from the totality of the claims by the marketer.</p> <p>The fact that a product or service is exclusively available online does not automatically mean that it is better for the environment; any such claim must be supported by reliable scientific evidence.</p>