

## ACM will start checking your sustainability claims following their newly published guidance

Consumers are becoming more and more interested in the impact of products and services they purchase and are making more conscious buying choices when it comes to sustainability. Companies anticipate to this growing demand for sustainable products which comes with the risk of unreliable, vague and untransparent sustainability claims – greenwashing.

ACM (Authority for Consumer & Markets) wants to ensure that companies provide customers with good and complete information about the sustainability of their products and services. This contributes to consumer confidence in sustainable products and development of markets for sustainable products and services. For this reason ACM has drawn up a guideline for sustainability claims and communication, which has recently been finalized and published. The guide contains five rules of thumb and practical examples to support companies formulate their sustainability claims in a fair and transparent manner. these five rules are;

- 1. Make clear what sustainability benefit the product offers
- 2. Substantiate your sustainability claims with facts, and keep them up-to-date
- 3. Comparisons with other products, services, or companies must be fair
- 4. Be honest and specific about your company's efforts with regard to sustainability
- 5. Make sure that visual claims and labels are useful to consumers, not confusing

Since the guide is now final, ACM will start checking the sustainability claims of companies. An online assessment conducted by ACM for the food, textiles, cosmetics and household products industry has made clear that terms such as 'ecological', 'organic', or environmentally friendly are made frequent and without substantiation. Also, it is unclear in some cases to which (parts of) products the claims apply and the substantiation of sustainability claims is vague or information is not available. The topic of sustainability will have the attention of ACM in 2021 and they can fine companies that make incorrect or misleading claims.

Modint believes it is important that companies communicate openly about their sustainability efforts in order to inform their customers. Applying the ACM guidelines is therefore a good starting point. In addition, it is valuable to highlight which steps you are taking to do business in a more sustainable way, and what challenges you still have to tackle. If you have any questions regarding communication and transparency, don't hesitate to contact us.

You can find the complete guidance in <u>English here</u> and in <u>Dutch here</u>. Modint can help you to substantiate you sustainability claims with our <u>Modint Ecotool</u> or <u>GS1</u> Fashion base.