

## Environmental Claims Policy

**Scope:** This policy applies to all business divisions within the AG Barr Group

### INTRODUCTION

AG Barr markets some of the UK's best known soft drinks brands in addition to FUNKIN, the UK's favourite cocktail brand and MOMA, the Craft Oat company. Our brands are enjoyed by millions of people throughout the country and those people rightfully expect the highest of standards not only in the quality of our products, but also in how we market them.

This policy has been written to provide the framework for our marketing communication and to ensure that the responsibility that we demand from ourselves and that our consumers expect from us is fully reflected in everything we do.

### RESPONSIBILITY & MANAGEMENT

This policy is owned by the ESG Steering Committee and responsibility for compliance is with the AG Barr Marketing Director.

ExCo, Procurement, R&D (including Regulatory), Communications and all consumer marketing, Digital and Activation teams must be briefed on the policy, together with all external third party marketing, media and creative partners who either develop or deploy communications on our behalf. Compliance with the policy must be documented in all contracts with such external parties.

The policy will be reviewed periodically (at a minimum on an annual basis) to ensure that it is in line with all relevant regulation and with our overall Responsibility objectives.

### SCOPE

The policy is applicable to all AG Barr owned brands, including MOMA Foods. It also covers partnership brands for which we are responsible in the UK and other specified geographies in Europe.

The policy applies across all media platforms and to all types of communications including, but not limited to, brand advertising, brand promotion, brand PR, brand packaging, corporate and brand digital/social media content, influencer marketing and point of sale material.

### BACKGROUND

#### What is an Environmental Claim?

Environmental claims are statements that suggest a product, service, process, brand, or business is better for the environment. This includes claims implying a positive or no environmental impact, or being less damaging than previous versions or competing goods or services. Examples include "Sustainable," "Environmentally friendly," "Carbon neutral," "Recyclable," or the use of images such as trees, rainforests, or the Mobius Strip symbol.

## What is Greenwashing?

Greenwashing occurs when a company, intentionally or otherwise, misleads consumers by exaggerating or falsely claiming its products, services, or practices have a lower environmental impact. This can be conveyed through statements, iconography, or colouring. Misleading claims omit or hide information in order to give the impression that products are less harmful or more beneficial to the environment than they truly are.

The potential impact of greenwashing includes:

**Reputational Damage & Erosion of Consumer Trust:** Consumers and the media are increasingly scrutinising sustainability claims. Misleading sustainability claims can lead to reputational damage and erode consumer trust, as consumers and the media scrutinize environmental marketing more closely, especially on social media channels. This scrutiny can result in public backlash, negative media coverage, and loss of brand credibility, leading to lost consumer retention and sales.

**Regulatory & Legal Risks:** Companies accused of greenwashing can face fines or damaging legal battles.

**Financial Impact:** If found to be non-compliant, companies may have to write-off packaging & raw materials, dispose of otherwise good stock or even withdraw product from the marketplace.

## General Principles for Environmental Claims

To avoid greenwashing, all environmental claims **must** adhere to the following principles:

- **Truthful and Accurate:** Claims must be factually correct.
- **Clear and Unambiguous:** Messaging should be easy to understand and not open to misinterpretation.
- **Not Omit or Hide Important Information:** Do not leave out or conceal material information. If space is limited, provide alternative means for qualification.
- **Fair and Meaningful Comparisons:** Comparisons (e.g., "50% less plastic") must be entirely true and use a relevant comparison.
- **Consider the Full Life Cycle:** General environmental claims should be based on the product's full life cycle, unless limitations are clearly stated.
- **Be Substantiated and Verified:** All claims must be supported by robust evidence such as technical data, which may require lab tests, lifecycle assessments or verified environmental impact studies.
- **Avoid Vague Claims:** Vague or non-specific claims like "eco-friendly," "sustainable" (unless precisely defined), "nature friendly," or "green" without proof should not be used.
- **Transparency:** Provide clear details about methodologies, sourcing, and impact.

## Regulatory Framework and Oversight

Several external bodies and standards regulate environmental claims:

**Competition and Markets Authority (CMA):** The UK's primary competition and consumer authority, the CMA's Green Claims Code is based on consumer protection rules (Unfair Trading Regulations 2008 and Business Protection from Misleading Marketing Regulations 2008). The CMA can bring court proceedings for non-compliance with consumer law.

**Advertising Standards Authority (ASA):** The ASA administers advertising requirements under the UK Code of Broadcast Advertising (BCAP Code) and the UK Code of Non-Broadcast Advertising and Direct and Promotional Marketing (CAP Code). The ASA can take action for misleading green claims in

advertising, potentially requiring changes or redress to consumers. The ASA's remit does not include on-pack or point-of-sale displays; these fall under the CMA.

## CORE PRINCIPLES

All activities will work to both the letter and the spirit of regulatory framework and, where applicable, in compliance with all voluntary industry codes.

We will never seek to mislead our consumers through false, exaggerated or ambiguous claims. Any claims about our products and their environmental credentials will be substantiated by reliable evidence and approved by the Head of Sustainability prior to use.

We recognise that we have a responsibility to our environment and this is reflected in our sustainability strategy. We will avoid 'Greenwashing' and we will never make any environmental claims that are false, exaggerated, ambiguous, or which cannot be substantiated by reliable evidence. In our marketing communication we will work towards increasing awareness of the recyclability of materials and encourage greater recycling.

## POLICY DETAIL

All marketing communications which include environmental claims will comply with relevant UK regulation and legislation in place at the time.

We will adhere to the CAP Advertising Guidance (The environment: misleading claims and social responsibility in advertising) in relation to our marketing communications which include environmental claims.

We will adhere to the Competition and Markets Authority (CMA) guidance (Making environmental claims on goods and services) ensuring that if and when we make any environmental claims about our products, business or service, such claims are precise, properly substantiated and do not mislead consumers.

We will apply the UK's OPRL Labelling guidance on consumer packaging as a clear indicator of recycling categorisation and when advised, a prompt to action on recycling.

### Approval Processes

Approval processes are required for environmental claims accounting for various business processes, communication platforms and marketing channels.

Existing approved claims are held on the Regulatory Claims Matrix document.

1. Innovation & Enterprise Projects:
  - Intended claims are captured by the Marketing or R&D team on the Technical Brief document for early review by Regulatory and feedback provided regarding any concerns.
  - A checklist at each stage gate requires Regulatory confirmation of review for any intended claims.
  - A 'Stage Gate' process is followed with formalised approval paperwork including claims.
2. Packaging:
  - All packaging is reviewed and approved by the Regulatory team at each stage of sign-off as part of the artwork process, including ALIS forms, Artwork, and Proofs. This is a formal workflow process with validated lists providing existing approved statements for environmental claims.

- Any new or revised environmental claims must be approved by both the Head of Regulatory and the Head of Sustainability.
3. Websites:
    - All ESG related claims made on brand or corporate websites must be approved by the Head of Sustainability prior to publishing.
  4. Advertising, Point of Sale (POS) and Social Media:
    - All copy and assets are initially approved internally by Brand, Digital, and Activation teams.
    - Social media posts relating to the environment should either be entirely factual regarding brand credentials or encourage consumers to act responsibly with packaging (e.g. "Please Recycle").
    - Any social posts making a factual environmental claim (including static visual posts, video content and supporting copy) must be approved by the Head of Sustainability prior to use.
    - For any new or revised environmental claims, approval is required from both the Head of Sustainability and the Head of Regulatory, prior to use.
  5. Influencer Marketing:
    - Brand teams provide our influencer agencies with guidance documentation, which outlines our standards for responsible marketing and environmental claims.
  6. Partnerships:
    - Any brand partnerships with ESG charity initiatives must be approved through the ESG Steering Committee.

### **Substantiation and Imagery**

**Backing up Claims:** All environmental claims must be supported by scientific evidence (e.g., lab tests, lifecycle assessments), third-party certifications (e.g., recognised eco-labels like Fairtrade, FSC, EU Ecolabel) and provide transparency (clear details about methodologies, sourcing, and relevant impact).

**Use of Colours and Iconography:** Avoid using green or earthy colours, or pictures of nature, merely to create a "green" impression or suggest sustainability when not truly accurate. Supposed Eco-labels that lack genuine meaning should not be used.

### **Training and Other Governance**

**Training:** Internal teams receive regular updates and dedicated sessions from the Regulatory team regarding significant regulatory changes. Reference slides and other regulatory guidance documents are available.

**Guidance Documents:** A number of guidance documents are provided for internal teams and external agencies to ensure adherence to relevant regulations and good practice.

**Responsible Marketing Policy:** All advertising and creative agencies are shared on our responsible marketing policy and notified of any updates.

**Influencer Guidance:** Internal guidance, formulated with the legal team, is provided for working with influencers.

## **FAILURE TO COMPLY WITH THIS POLICY**

We have both business and personal responsibilities to do the right thing when making environmental claims related to our product, packaging or business operations.

Non-compliance with consumer law regarding environmental claims can lead to severe consequences:

- The CMA and other bodies (e.g., Trading Standards) may bring court proceedings.
- The ASA can take action for misleading green claims in advertising, potentially requiring changes to claims or financial redress to consumers harmed by the breach.
- Breaches can lead to significant reputational damage, consumer trust erosion, and substantial fines or legal costs

For individuals, failure to comply may negatively impact performance reviews / ratings and possibly result in disciplinary proceedings.

## Related Documents:

[CAP Advertising Guidance - The environment: misleading claims and social responsibility in advertising](#)

[Competition and Markets Authority \(CMA\) guidance - Making environmental claims on goods and services](#)

[Regulatory Claims Matrix](#)

[Responsible Marketing Code of Conduct](#)

[Greenwashing Brief](#)

<b>Last Reviewed : Russell Dunn</b>	<b>Last Updated : October 2025</b>
-------------------------------------	------------------------------------