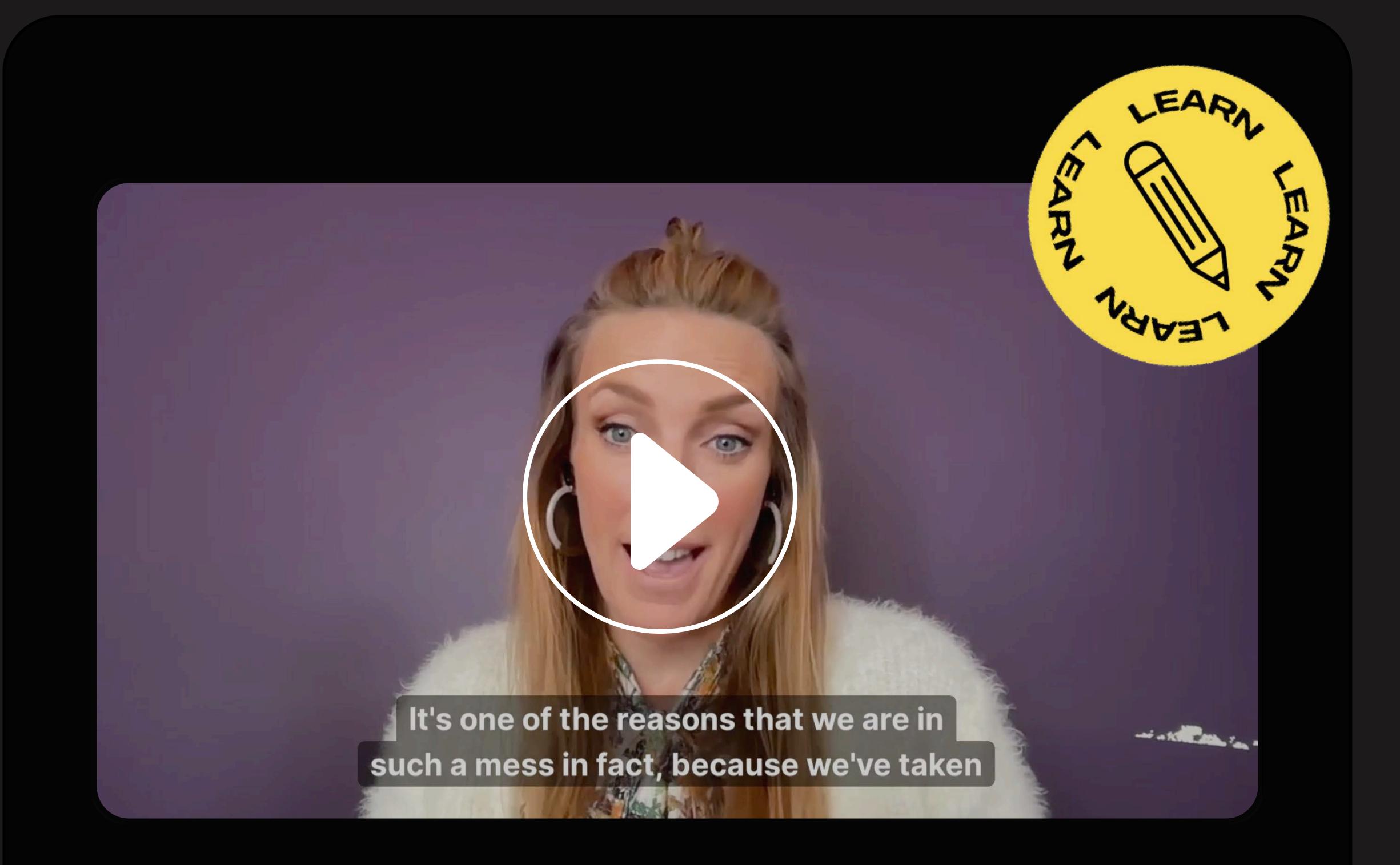


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Jonathan White, Climate Lawyer, ClientEarth and Victoria Hurth, independent pracademic and Fellow of the Cambridge Institute for Sustainability Leadership (CISL) have acted as advisors on the development of this report.

In this video, they share why accelerating awareness to tackle greenwashing is essential in the transformation of the sector into a force for genuine good.

Creatives for Climate 2024 | Ethical Agency Guide 02

About Creatives for Climate

Creatives for Climate is a non-profit global network using creativity to take climate action.

Our network spans 40,000 strong – including entrepreneurs, employees and ethical agencies working towards a world where the creative industries spanning advertising, marketing and PR drive climate solutions.

Our vision is a world where creativity is used in service of climate solutions and our mission is to activate climate leadership within the creative industries.

Special thanks

We have created this handbook in collaboration with advisors and experts across the sector including Jonathan White from ClientEarth, Victoria Hurth independent pracademic and Fellow of Cambridge CISL, Jellien Roelofs anti-greenwash lawyer, and Gill Wilson IE Marketing Professor.

This report has been curated and edited by Lucy von Sturmer, Founder of Creatives for Climate with support from writer Ross Findon and designer Ece Eyisoy.



Why this guide

Gone are the days when brands could get away with vague claims, and divert goodwill into tactics of delay.

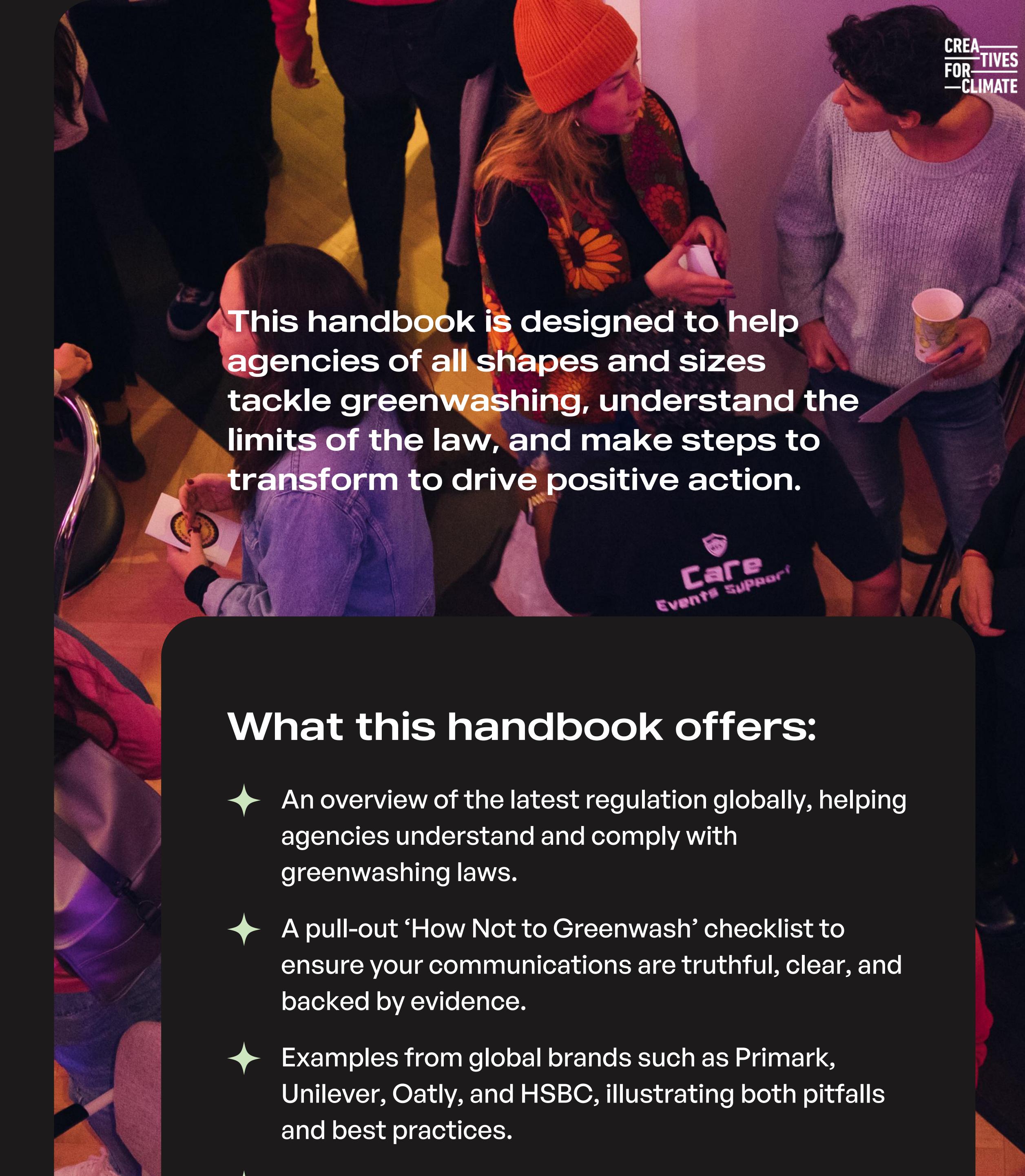
Thanks to rapidly emerging regulation and increased global awareness, we are entering a new era of increased accountability... as well as extreme urgency for communicators to play a pivotal role in driving rapid behavior change.

This is an era of opportunity, but also many questions.

66 How do we get this transition right? >>

> What are the stories we need to tell? >>

> > And who are the clients we should be supporting with our services? >>

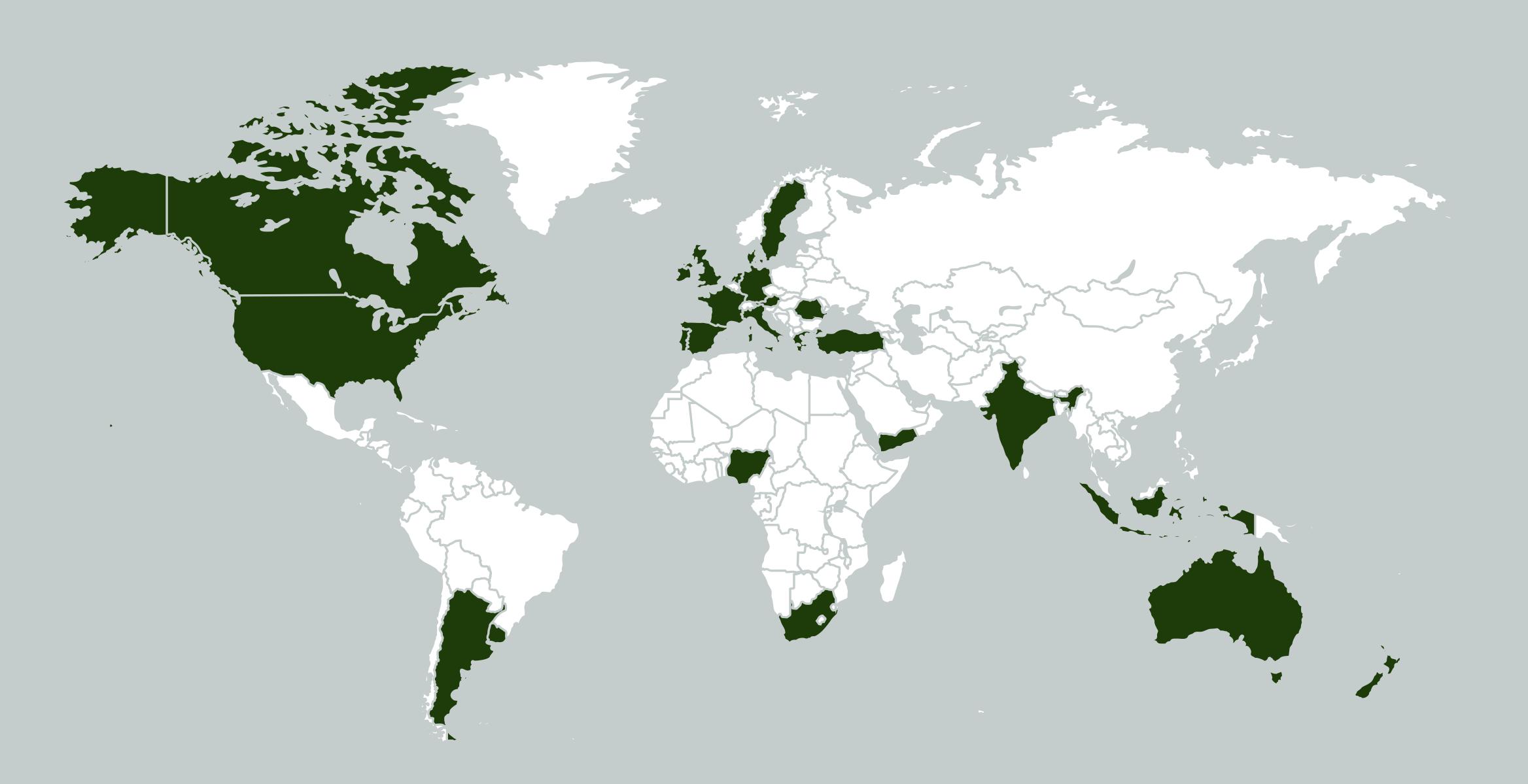


Guidance on how to spot red flags and recognize positive indicators in sustainability claims.



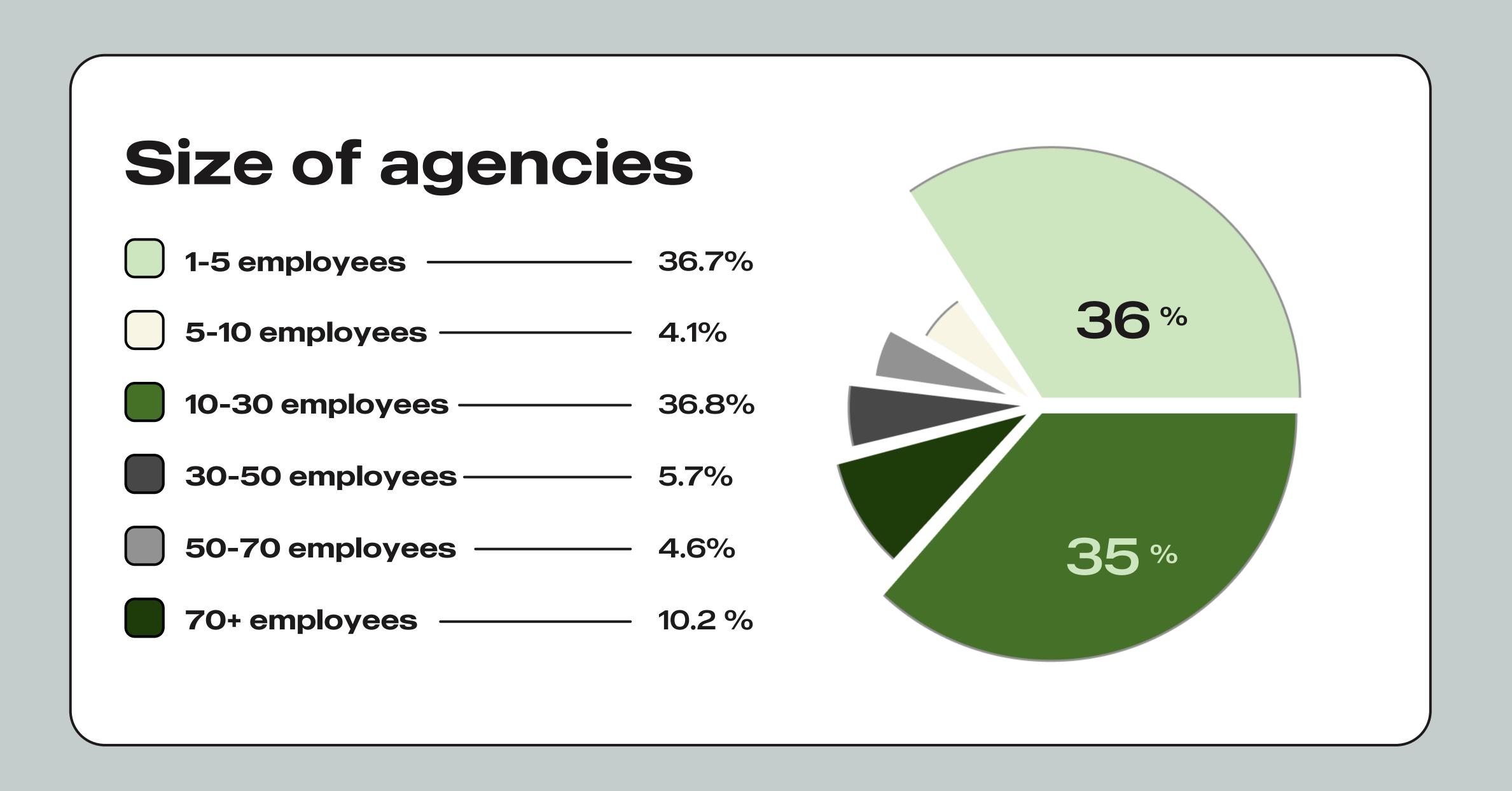
Where we are....

To better understand how agencies are already navigating decision-making on ethical priorities, Creatives for Climate launched a survey reaching 87 respondents across diverse agencies and locations.



Who did we hear from?

Netherlands, United Kingdom, Turkey, Denmark, Canada, USA, Spain, Romania, Portugal, Australia, New Zealand, India, Germany, Ireland, South Africa, France, Italy, Indonesia, Yemen, Argentina, Sweden. Austria, Greece, Uruguay



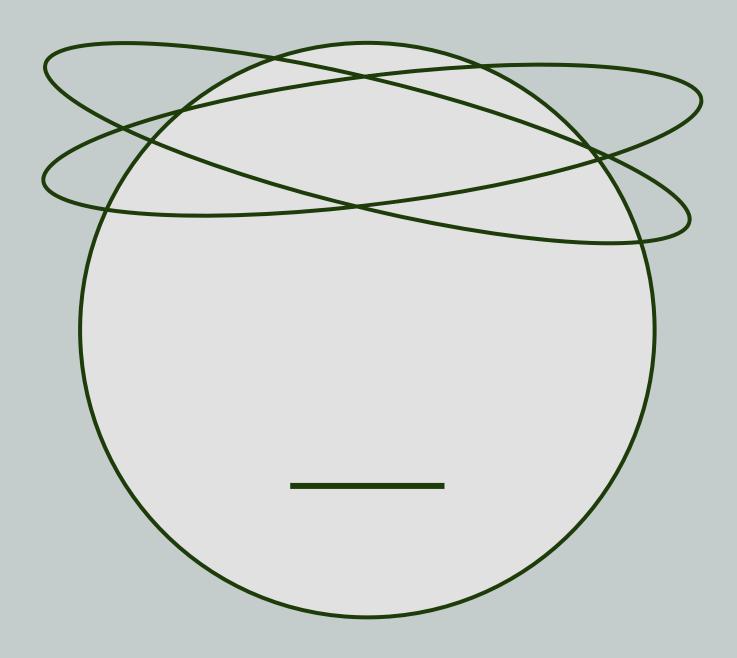
Type of agencies

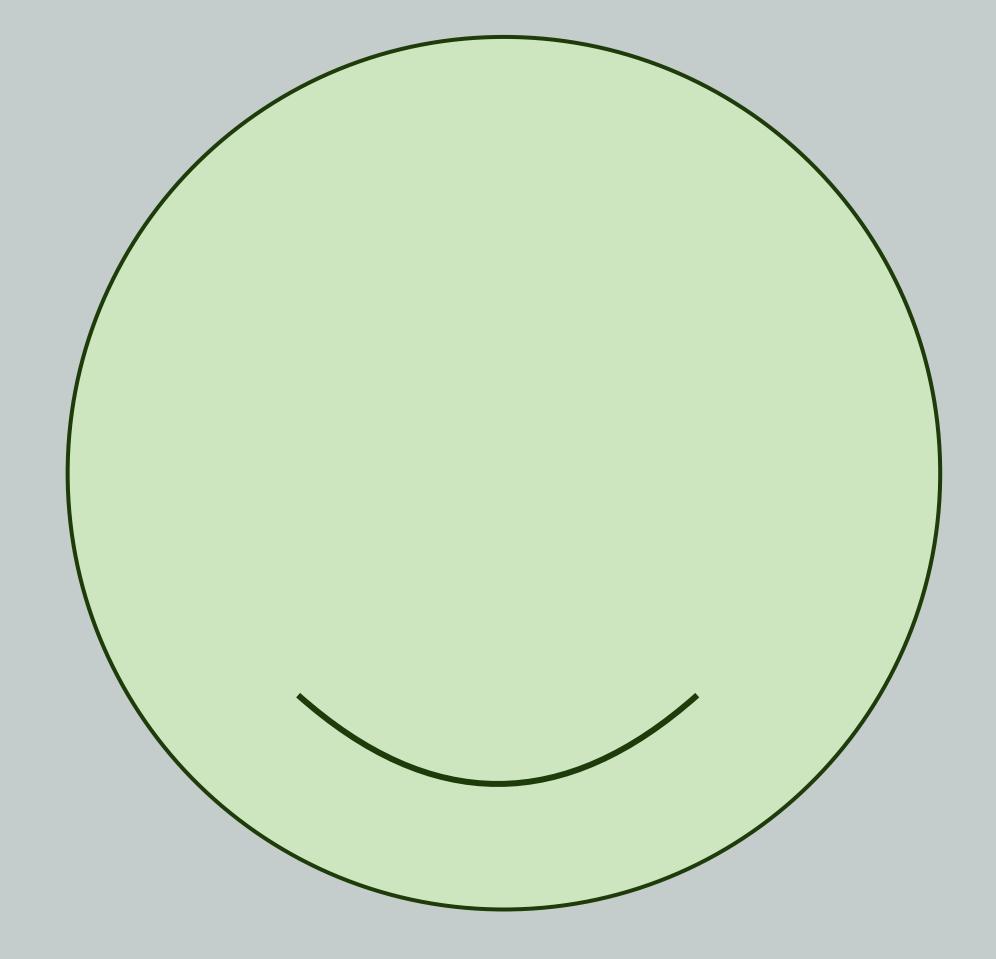
Advertising Agency———	14.9%
Digital Agency ———	8%
Branding Agency ———	9.2%
Marketing Agency ———	9.2%
PR Agency ———	5.7%
Design Agency ———	10.3%
Consulting Agency ———	13.8%
Communication Agency ———	3.3%
Film production Agency ———	1.1%
Information Design Agency ——	1.1%
Marketing & Sustainability ——	1.1%
Freelance ————	3.3%
Creative Al Agency ———	1.1%

Creative Agency ————	1.1%
Design & Impact Agency ——	1.1%
Branding & Advertising ———	1.1%
Linguistic Services agency ——	1.1%
Campaign agency ———	1.1%
Video Production ————	1.1%
Full Service Agency ———	2.2%
Social Media Marketing ———	2.2%
Communications & Strategy ——	1.1%
Climate Comms Agency ———	1.1%
NGO	1.1%
Sustainable Material ———	1.1%

What agencies told us...

The vast majority of respondents (85%) said sustainability is their priority as an agency.





Yet 59.8% of respondents don't use a set framework or methodology for assessing the ethical credentials of the clients they represent.



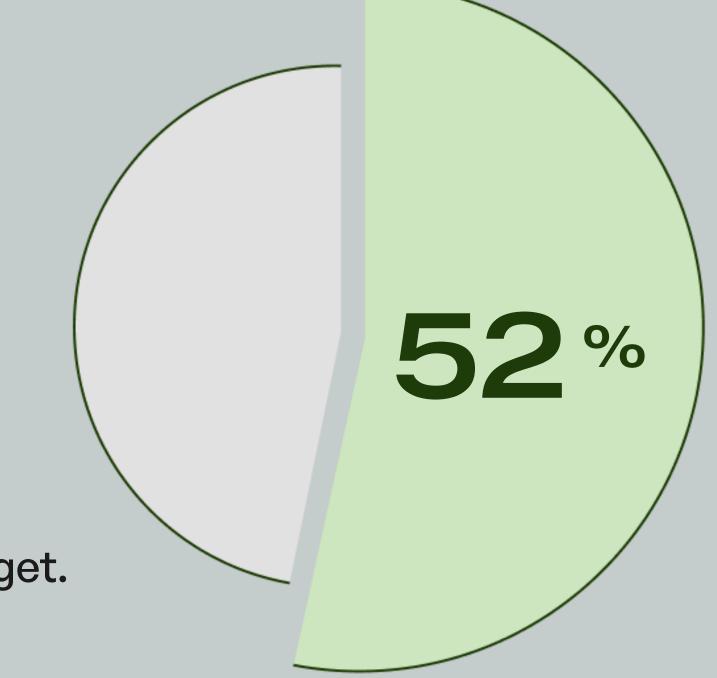
82.8% believe making ethical decisions leads to a higher caliber of employee

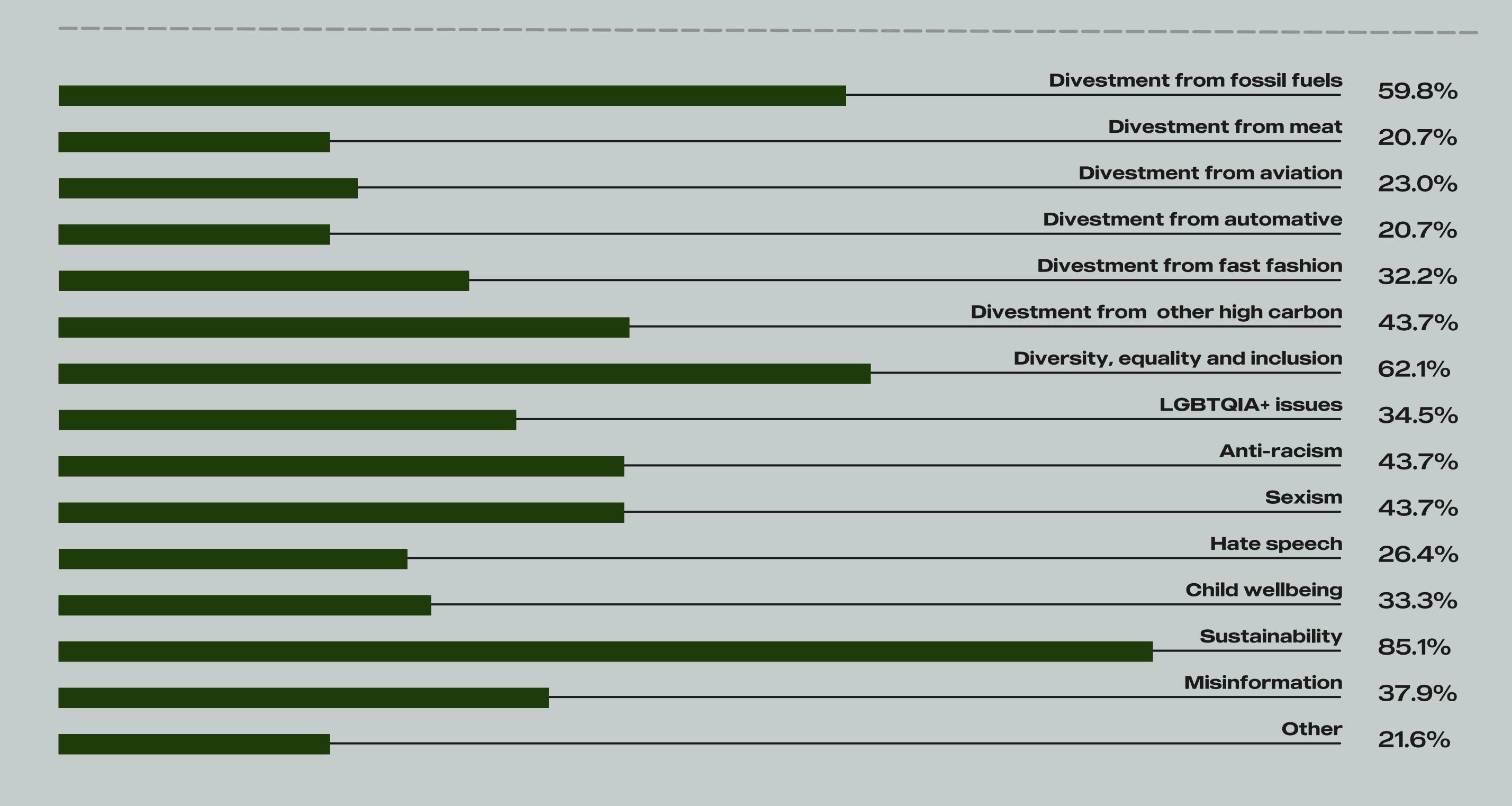
While sustainability is a priority for 85% of respondents, more than half of the agencies surveyed use no guideline or framework to make decisions about who they represent. Meanwhile, despite turning down over 6 million euros worth of work, values-driven agencies continue to be rewarded in both talent and client retention. Take a look...



52.9% of respondents turned down work due to ethical concerns, equating to an estimated €6m in client briefs.

The real figure, however, is a lot higher as some respondents reported that, because they instantly rejected a lot of work, there was no discussion of budget.







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From sponsoring the culture and arts sector to installing virtual Shell petrol pumps in Fortnite (yes, really), the fossil fuel industry loves it when creatives help them maintain their social license - the unwritten permission slip from society to keep doing what they are doing, despite the harm.

While some may claim that working with the worst polluters holds great potential for change, the evidence tells a different story.

The work of Amy Westervelt, investigative climate reporter, podcaster and founder of Drilled, exposes the disinformation crisis peddled by the fossil fuel industry.

Subpoenaed documents revealed that the fossil fuel industry has been using the same playbook to extend the use of fossil fuels as long as possible.

"The industry's approach on climate really hasn't changed since scientists first started warning that the burning of fossil fuels was becoming a problem: push "solutions" that keep fossil fuels profitable, downplay climate impacts, overstate the industry's commitments, and bully the media if they don't stay on message. It's the same five-step plan, deployed to the same end: preserving power, subsidies, and social license."

The fossil fuel industry has shown no signs of slowing down or changing tactics, which begs the question: How much influence can agencies really have over a client who is unmoved by science and rallying cries for change?"

66

So don't kid yourself that you can change a client's business strategy from within. 99



As Tom Tapper, founder of leading purpose agency Nice and Serious shares:

"Clients hire agencies to grow their business by marketing their products and services. If a client wanted to change their business strategy to reduce their carbon emissions, would they hire an advertising agency to advise them? Obviously not.

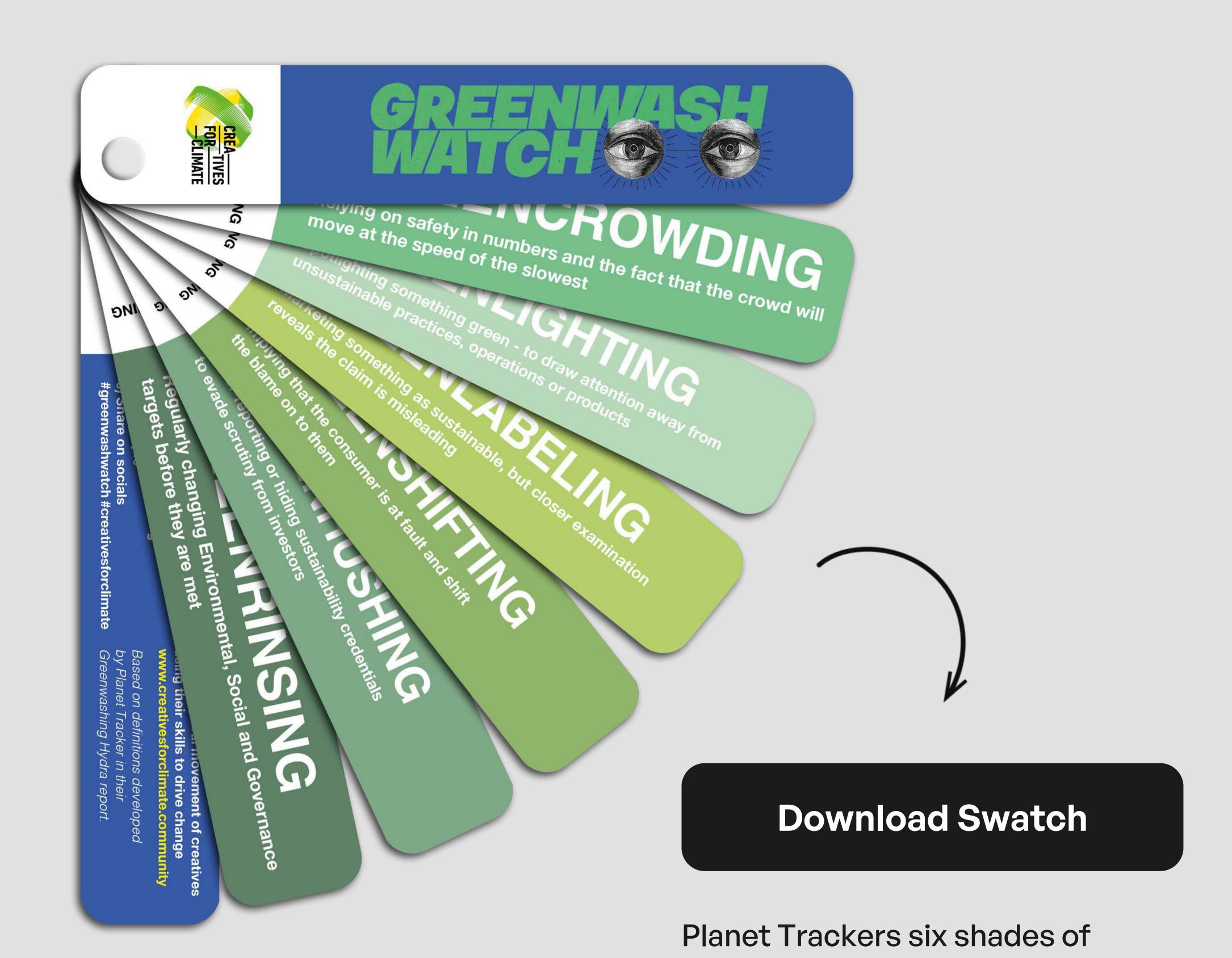
So don't kid yourself that you can change a client's business strategy from within. If an oil company hires you to communicate their sustainability commitments, you're simply being hired to greenwash."



greenwash

verb [IorT] UK/gri:n.wps//US/gri:n.wa:s//

"to make <u>people</u> <u>believe</u> that <u>your company</u> is doing more to <u>protect</u> the <u>environment</u> than it really is."



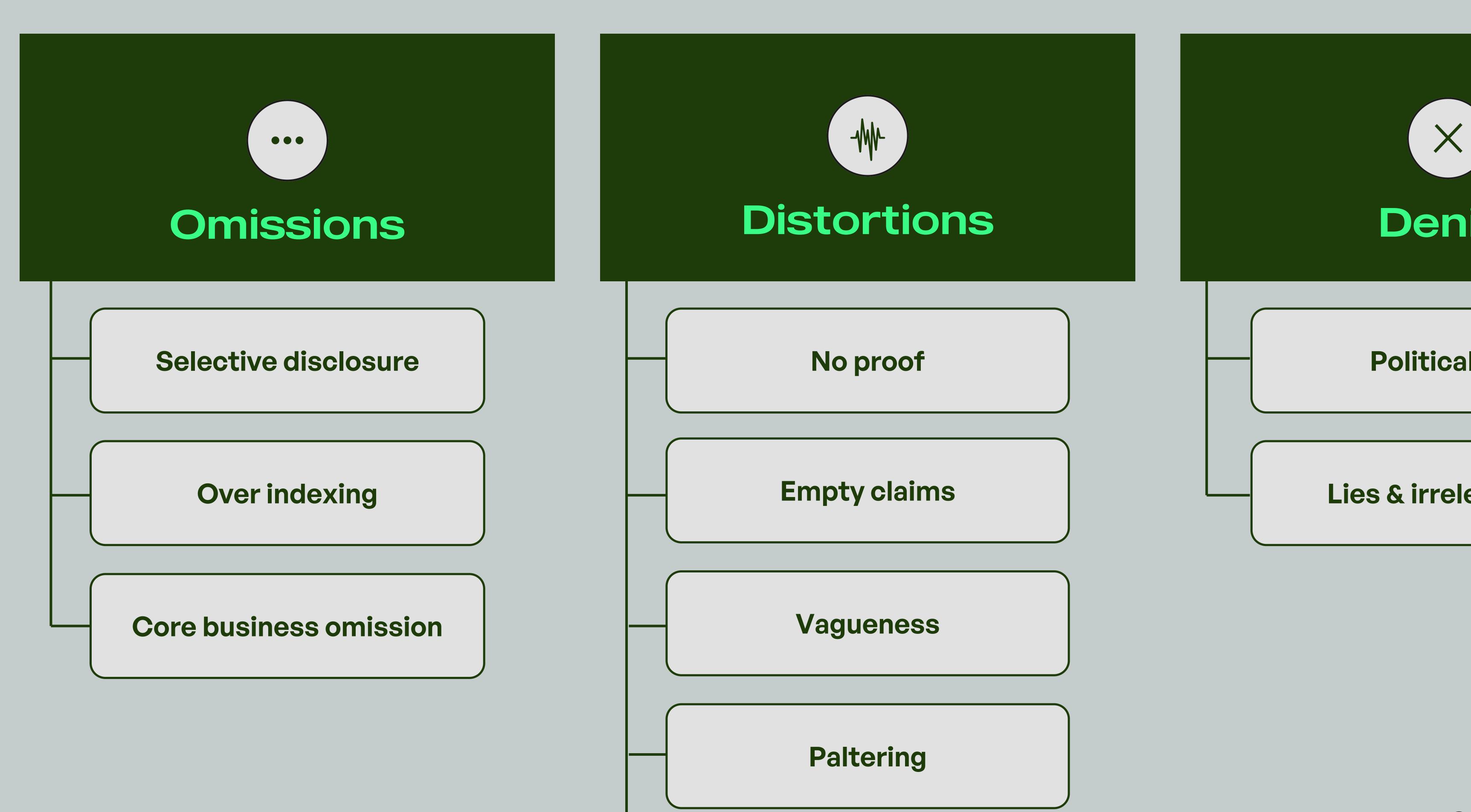
greenwashing research turned

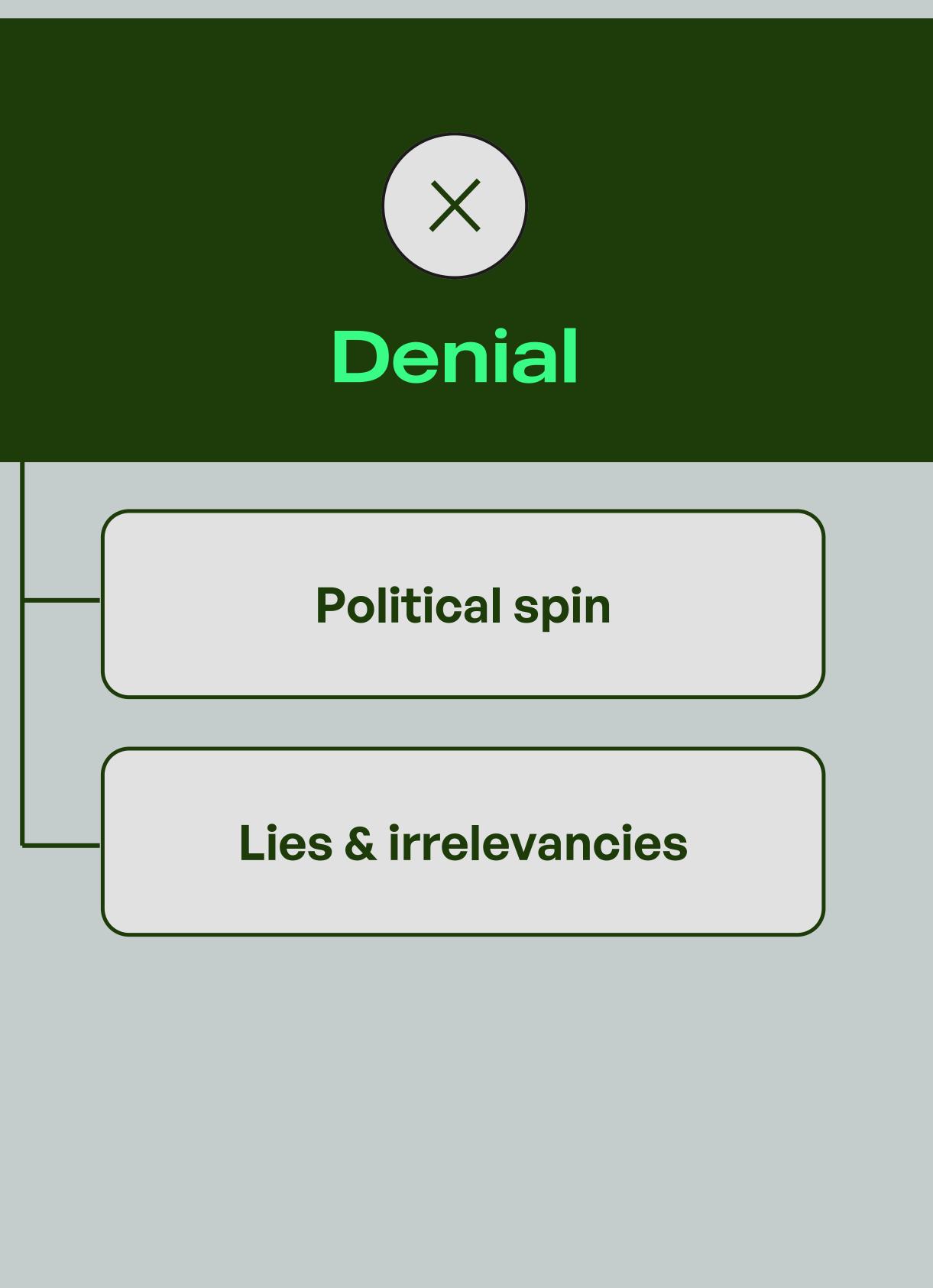
by Creatives for Climate

into the Greenwash Swatch tool

The 3 Categories of Greenwashing

Jargon





Omissions, distortions and denial - The Three Categories of Greenwashing. The Institute of Ethical Advertising.

Understanding the law

National laws and guidelines on green claims and the prevention of greenwashing (consumer protection) have existed for years and in many cases, have been updated recently. In some territories, new regulations are proposed.

These (legal) developments are happening continuously and rapidly.

On the followiing pages you will find a list that you can use as a starting point to gain a global perspective.

Make sure to check for updates regularly.



In the UK and the US, existing anti-greenwashing regulations and self-regulatory guidelines have been updated in the past few years. The US FTC's Green Guide includes new guidance to "carbon offset' claims.

In Europe, the recently adopted 'Empowering Consumers for the Green Transition Directive' will strengthen the existing framework on sustainability claims. This includes the prohibition on making vague claims like "eco-friendly," "environmentally friendly," "natural," "recycled," or "biodegradable" without demonstrating excellent environmental performance. These rules will apply from 27 September 2026.

In the Asia-Pacific, Australia has been updating their green claims guidance as well, but China is still lacking clear regulations focusing specifically on the prevention of greenwashing.



Regulation	In a nutshell	For whom	Timeline
 Unfair Commercial Practices Directive 2005/29/EC ('UCPD') 	Protects consumers against misleading (voluntarily made) sustainability claims Sustainability claims: both ethical claims & environmental claims	All companies making voluntary claims about sustainability facing EU consumers	Already active and base of current government-led antigreenwashing Enforcement
 EC Guidance on the applicability of the UCPD 2021 	Guidance from European Commission on when environmental claims are considered misleading towards consumers?	Same as UCPD	Already active, used to give guidance to enforcement
 Empowering Consumers for the Green Transition Directive 2024/285/EC ('ECGT') 	Strengthening the UCPD on anti- Greenwashing. New practices banned under all circumstances include: • Sustainability labels that are not based on a certification scheme; • Generic environmental claims	Same as UCPD	Same as UCDP 27 Sept 2026 Adopted but needs to be transposed into national law by EU Member States.
Green ClaimsDirective('GCD')	New rules on the substantiation and verification of environmental claims and labels. Prior verification of environmental claims, complemented by external 'verifier' within 30 days. Emission reduction and compensation claims only allowed under strict circumstances.	All companies making voluntary environmental claims facing EU consumers. No prior verification for microenterprises, unless voluntarily. Delayed entry into force for small companies.	Not yet adopted. Will be followed up by new European Parliament after June '24 elections and still needs to to take a few parliamentary hurdles. If adopted, expected to enter into force late 2026 or in 2027.



Regulation	In a nutshell	For whom	Timeline
 ACM Guidelines regarding Sustainability Claims (v2 - june '23) 	Guidance from the Dutch regulator Consumer and Market Authority ('ACM') on when sustainability claims are considered misleading towards consumers. Could impose fines.	Same as UCDP	Already active, used to give guidance to enforcement, specifically in the Netherlands
regarding Sustainability Claims (v2 - june '23) Consumer and Market Authority ('ACM on when sustainability claims are considered misleading towards consum		For those advertising on the Dutch market	Already active, most reported anti-greenwashingcases (such as Primark) were based on this advertising code.

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Regulation	In a nutshell	For whom	Timeline
US Federal TradeCommission (FTC)Green Guides	Guidance from the US consumer protection agency FTC to ensure that (b2c AND b2b) environmental advertising is not misleading.	For those advertising on the US market	Already active. Not enforceable in itself but provides guidance for enforcement of other unfair practices laws.



 Australian Competition & Consumer Commission's guidance 	Guidance from the AUS regulator on sustainability claims. Sustainability claims should not be misleading and should be substantiated by evidence.	For those trading on the AUS market.	Already active. Not enforceable in itself but provides guidance for enforcement of other unfair practices laws.
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Regulation	In a nutshell	For whom	Timeline
Green Claims Code	Guidance from the UK Competition and Markets Authority ('CMA') on when sustainability claims are considered misleading towards consumers.	For those advertising on the UK market	Already active
 Consumer Protection from Unfair Trading Regulations 2008 (CPRs) 	The key piece of consumer protection legislation relevant to the CMA's Green Claims Code. The CPRs contain a general prohibition against unfair commercial practices and specific prohibitions against misleading actions and misleading omissions.	For those trading on the UK market	Already active Led to an investigation into Boohoo, ASOS and Asda, which ended with each firm signing a commitment to an agreed set of rules around the use of green claims.
 Digital Markets, Competition and Consumers Bill 	The CMA will be given more enforcement powers with the ability to impose monetary penalties.	For those trading on the UK market	The Bill needs to pass through the House of Lords and may return to the House of Commons if amendments are proposed. "The current expectation is that the Bill will receive Royal Assent in Spring 2024, with the new digital markets and consumer law enforcement regimes expected to come into force in Autumn 2024."
Advertising Standards Agency guidance	Self-regulation based on the UCDP (even though it's UK based). Very similar to the CMA guidance but focused only on advertising No fines, recommendations only, but sanctions (such as AdAlerts) may be issued in case of non-compliance.	For those advertising in the UK	Already active



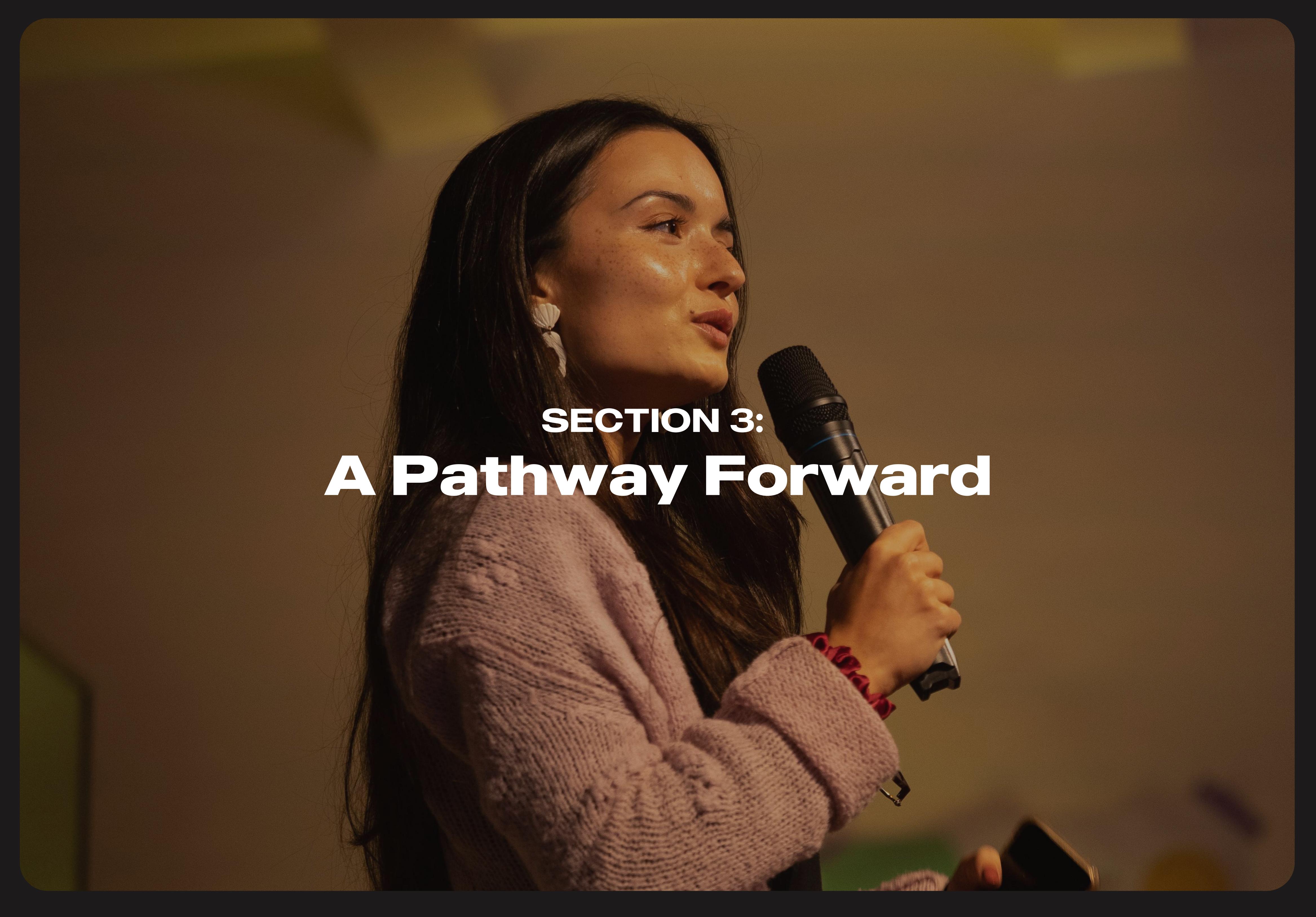
Regulation	In a nutshell	For whom	Timeline
 Specific regulations are lacking, regulated by different laws, including: <u>Advertising Law of the People's Republic of China (2021 Amendment) (the "Advertising Law")</u> 	Advertisements may not be false or misleading	For those advertising in the territories of China	Already active



Singapore

Consumer Protection (Fair Trading) Act 2003 ('CPFTA')	Protects consumers against unfair practices, including misleading claims	[needs confirmation but presumably those active on the market in Singapore]	Already active uidance for enforcement of other unfair practices laws.
 Singapore Code of Advertising Practice ('SCAP') 	Self regulation promotion a high standard of ethics	For those advertising in Singapore	Already active

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Based on guidance from the EU, UK, US, and Australia, who are leading the regulatory charge, we've compiled a simple checklist for agencies to help avoid greenwashing.

While new laws are playing an important role in eliminating the worst cases, they will never be able to fully tackle greenwashing OR the negative effects of the communication industry.

As **Jonathan White**, Climate Lawyer at NGO ClientEarth states:

66

The law will impact some of the worst practices, and it will underline the rules of the road. But it won't be enforced perfectly and it won't drive the innovative communication practices that can proactively shape the future we want. 99



So, we CAN regulate greenwashing, but we cannot regulate our way to a better future.



The 'How Not To Greenwash' Checklist

1 See examples on pages 41-44 Things you should do

X Things you should not do

Do	Don't
Start with the proof points - not the claim	Omit or hide material information that undermines your sustainability claim
 Make sure your sustainability claims are Truthful and accurate Clear and unambiguous Substantiated with up-to-date facts and scientific evidence 	Refer to carbon offsetting credits as making something "climate-neutral" or "carbon-neutral"
	Overstate a quality of a product - such as "natural", "organic", "recycled", "recyclable" or "biodegradable" - when that only refers to a % of the product ('cherrypicking')
Avoid jargon	Conflate claims about a product with an overall claim about the brand
Make fair comparisons with other products or competitors and verify relative claims like "greener"	Present a claim as the result of voluntary action when it is simply required by law
Provide a verifiable strategy to deliver any future sustainability ambitions you describe, especially your Net Zero and Nature Positive goals	Display sustainability labels that are not based on a certification scheme
Ensure visual imagery and labels support, rather than confuse, your claims	Just audit your advertising claims - apply this same guidance to all areas of your communications, from
Explain any conditions of your claims	your website and social media to your impact reports and IPO

How claims can be made more accurate

Instead of being non-specific e.g "the majority of our green power is produced right here in the Netherlands' **be specific** and say: "20% of our green power is generated right here in the Netherlands."

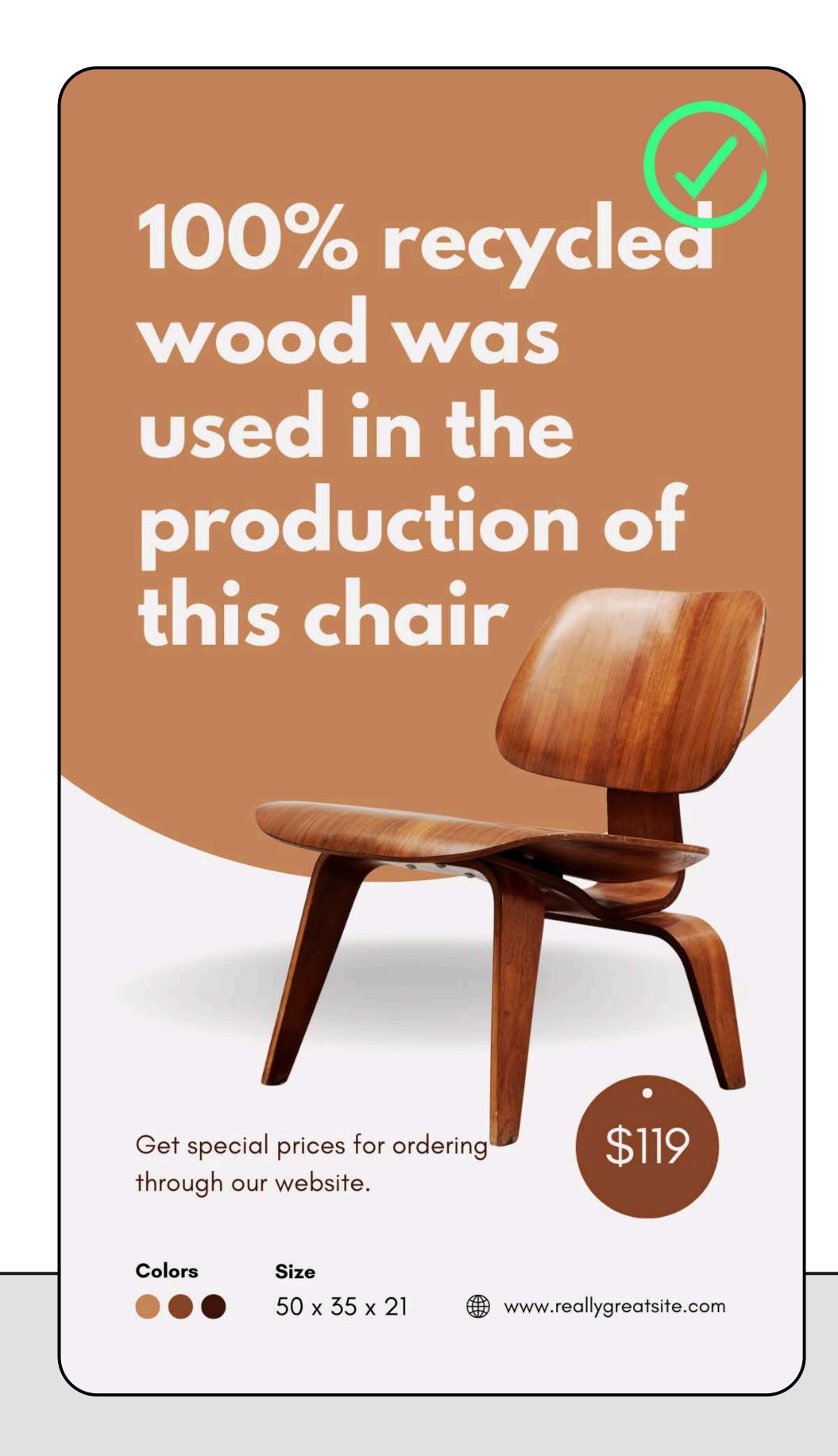


Instead of using the general claim 'Green on the road' **be specific**: 'This is a fully electric truck' (ACM Sustainability Claims Guidelines 2023, p. 12)





Instead of using a 'green leaf' without explanation to imply a sustainability advantage, **use a specific claim** with clear and accurate information: "100% recycled wood was used in the production of this chair"



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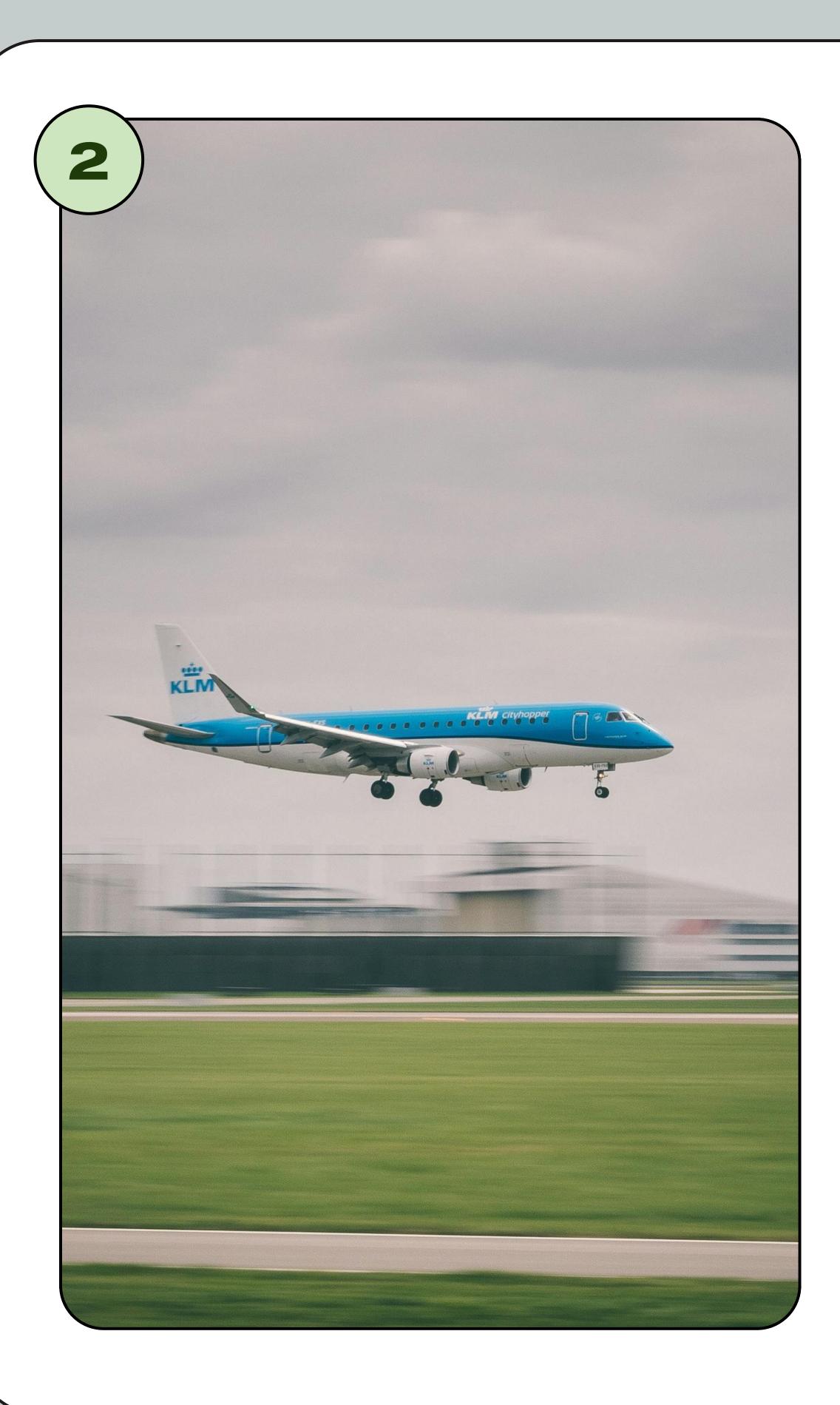
In 2022, the UK Advertising Standards Authority banned a series of **HSBC's** net zero ads because, as one of the world's biggest funders of fossil fuel projects, it omitted significant information about HSBC's contribution to rising greenhouse gas emissions.

CHECKLIST POINT(S)

Don't make general claims about an overall product when it only refers to an aspect of the product ('cherry picking')

Do consider the entirety of a product.

Examples continued...



The District Court of Amsterdam recently ruled that airline KLM's claims suggesting that flying can be or is becoming sustainable, and advertising suggesting that its "offsetting" products reduce or compensate for the climate impact of flying, are misleading and therefore unlawful.

The key takeaway? Inherently unsustainable industries cannot be marketed as sustainable. The problem cannot be sold as the solution

CHECKLIST POINT(S)

Don't use 'sustainable' labels without being 100% sure.

Don't use vague claims.

Don't omit or hide material information that undermines your sustainability claim.

Don't make offsetting claims

Don't promote limited or speculative fixes/measures.



Delta Air Lines is facing a lawsuit over its "false and misleading" \$1bn carbon neutrality claim because it relies on offsetting which does little to halt global warming.

CHECKLIST POINT(S)

Don't refer to carbon offsetting schemes as "climate-neutral" or "carbon-neutral". Call them donations to trees.



The European Commission was recently issued a legal complaint urging them to investigate misleading claims that single-use plastic water bottles from brands like **Coca Cola** and **Nestle** are either '100% recycled' or '100% recyclable' bottles. Bottles are never made of 100% recycled materials, while reliability depends on the availability and success of local infrastructure.

CHECKLIST POINT(S)

Don't make general claims about an overall product when it only refers to an aspect of the product ('cherry picking')

Do consider the entirety of a product.



Unilever is under investigation in the UK for marketing some products as "greener" than they actually are by using suggestive imagery, such as green leaves, and exaggerating how natural some products are.

CHECKLIST POINT(S)

Don't make general claims about an overall product when it only refers to an aspect of the product ('cherry picking').

Don't use ambiguous visual claims



A misleading **Oatly** ad that claimed "Oatly generates 73% less COZe vs. milk, calculated from grower to grocer" was banned because the data point only applies to Oatly Barista Edition, not their entire product range.

CHECKLIST POINT(S)

Don't omit or hide material information that undermines your sustainability claim, in particular relating to fossil fuel use.



Primark got into hot water in the Netherlands for promoting their commitment to "training for equality" and "opportunities for all". Their claims "insufficiently substantiated to assume that the ambition will be achieved" because they planned to address these issues only in 2030.

CHECKLIST POINT(S)

Don't make unsubstantiated claims

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Red Flags

Clients might tell you they're taking meaningful climate action when, really, they're delaying progress. Here is a simple overview of red flags to look out for in a potential client if you want to avoid greenwashing.



offsetting rarely, if ever, does what they it says on the tin and should have no place in a core part of the client's sustainability strategy. Contributing to climate projects is valuable; using this 'offset' emissions is a red flag.



This allows businesses to claim they're reducing emissions even if they've increased their overall production and carbon output

Only focusing on their scope 1 and 2 emissions:

Serious clients should be aiming for an absolute reduction in scope 3 emissions, where the biggest climate impacts usually take place

They're investing in alternative - but still highly polluting - energy sources

- Crop-based Biofuels: It usually increases greenhouse emissions and comes with a whole host of negative environmental and social impacts.
- Fossil-based Hydrogen: Around 96% of the world's hydrogen comes from coal and not renewable sources.
- Sustainable Aviation Fuel: You guessed it - another fuel that currently doesn't reduce emissions at any real scale and may be a long way off from doing so.
- Natural Gas: Crazy we need to include this, but this was recently included in the EU's list of 'green energy' despite methane gas being more planet-warming than carbon dioxide.

They're focusing on biodegradable or recyclable product innovation as a silver bullet when, in reality...

- There is a lack of infrastructure to collect, sort and recycle most products at scale.
- Biodegradable products if not dealt with properly after use - can be just as bad or worse for the environment.
- Recycling isn't circular unless it reduces and ultimately replaces production using virgin materials.

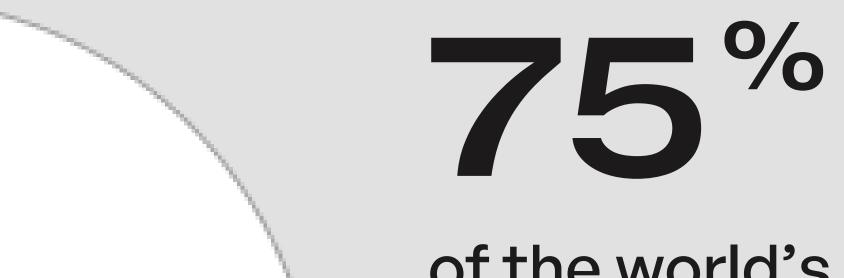
The biggest red flag of all?

Spending millions of pounds on questionable sustainability marketing, while investing just a fraction of that spent in genuine sustainability efforts.

Auditing Your Clients **Creatives for Climate**

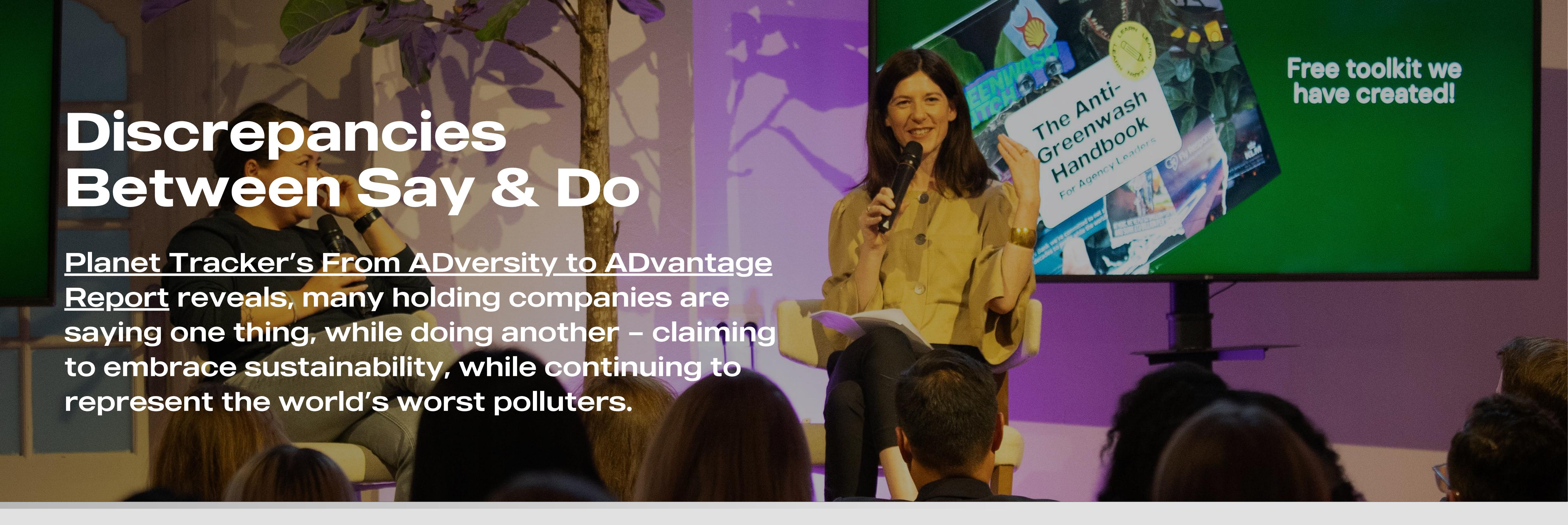
The work we do for our clients is the biggest source of emissions in our industry.

This is why divesting from high carbon clients, and in particular fossil fuel clients is the first and most meaningful step an agency can take to achieve its sustainability commitments.

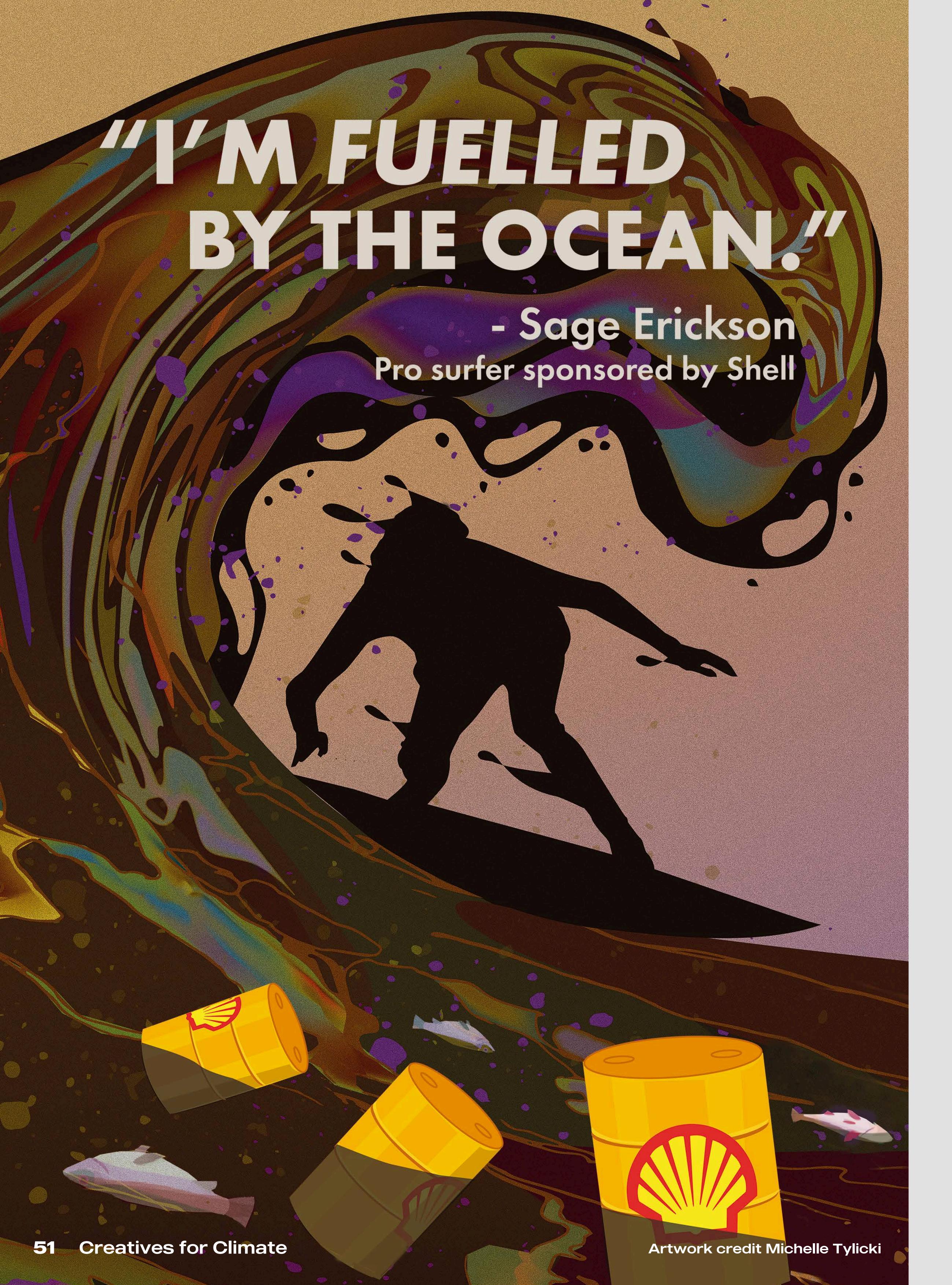


of the world's carbon pollution comes from the energy sector, and the fossil fuel companies that dominate the sector are still planning to increase the amount they pollute.

That makes cutting fossil fuel clients the first and biggest step you can take towards cleaning up creativity.



Who they are	WPP	WPP	Omincom Group	OMICOMMediaGroup	Interpublic Group	
What they say	"Given the power of change attitudes and committed to applying standards to its work changes are for the begolicy is tonot und which is intended or dislead in any respect social, environmental issues".	behavior, WPP is g high ethical to ensure those etter. WPP's ertake work lesigned to t, including	"Our diverse and dedicate pursued progress against areas while delivering excresults for our clients in 20 individual action contribut positive global impact. The report demonstrates our commitment to advancing sustainable and responsible practices around the glob	our focus eptional 22. Every es to our is year's	"Currently, a small number of agencies create marketing for intensive clients, including of utility companies. And while the work that these agencies contributed to in the past we live up to our current standar committed to aligning all fut on behalf of these clients to company's sustainability value.	or carbon- il, gas and some of s have ould not rds, we are ure work our
What they do	Over 55 contracts with clients, including Shel Chevron, ExxonMobil Aramco	II, BP, Castrol,	Over 37 contracts with for polluters, including work ExxonMobil and Repsol.		Over 24 contracts with foss polluters, including work for Aramco, Exxon Mobil, Repse Petronas.	Saudi



Beyond Fossil Fuels

There's a growing movement calling for a ban on other high carbon clients.

Climate action group **Badvertising** has launched campaigns targeting SUVs and aviation - making the case for action on other climate-damaging goods and services such as luxury cruises, fast fashion and the high impact food like beef.

Just recently, the city of Edinburgh agreed on a ban on adverts for high-carbon products, including airlines, airports and cruise holidays.

Badvertising's co-founder, Andrew Simms, of think tank the New Weather Institute, advises agencies to:

Watch out for emerging targets as more and more high carbon sectors, like the fashion and meat industries, face public scrutiny. It's a fast moving dynamic space, so your auditing of clients should be too. 99



Asking the Right Questions

Beyond the baseline, how do you identify the right clients to work with and how to support them on their transition plans?

These questions have been compiled with input from ClientEarth lawyer Jonathan White, who worked on supporting the legal action suing KLM for misleading claims as part of their 'Fly Responsibly' campaign.

Below are the seven questions he suggests all agency leaders seek to understand to assess whether clients are serious about their sustainability claims.

They can be used as part of onboarding and discovery work.

- In what way do your business operations harm the longterm wellbeing of people and the planet?
- How do you engage and collaborate with stakeholders, including employees, customers, and suppliers, to promote ethical practices and sustainability?
- What are your short-term and long-term goals for improving your company's overall environmental performance, and how do you plan to achieve them?
- Do you have a vision of what your business would look like without any greenhouse gas emissions across its value chain (supply chain, operations and products/services)?
- What does your business look like in 2034, when the net zero transition is 10 years more developed and we could be over 2C global heating?
- Do you plan to use offsetting at all and if so, what is your phase out plan?
- What role does advertising and marketing play in your sustainability efforts?

Already, ethical agencies are pioneering new frameworks to guide their own behavior

Other frameworks used by Ethical Agency Alliance members include: BCorp, SDG Impact Assessment, Futerra's Creative Climate Disclosure, Clean Creative's Pledge and EcoDesign (ISO 14006) certification.

Some also shared that they have developed their own audit lists on high-carbon clients such as fast fashion, gambling, alcohol, fast food, and car manufactures, while others shared that they are pioneering their own approaches utilizing frameworks such as 'Planet Centered Design' at its core.



Enviral's

At What Cost Checker

Ethical Agency Alliance member Enviral created a series of <u>purpose scoresheets</u> to help fellow agencies, business owners and creatives explore whether potential work and partners are aligned with your intentions.



Nice & Serious'

The Moral Compass

Nice & Serious designed an <u>anonymous democratic voting</u> system inviting their team to vote on all briefs they work on, based on whether they align with their purpose or not. They only work on briefs that score over 51%.



Appointing

Mother Nature as CEO

Willicroft's 2020 Earth Day campaign calls on brands and agencies to make the appointment which 'should be both symbolic and constructive leading to governance changes and a more concrete impact plan with tangible goals. Keeping their CEO in mind, Ethical Agency Alliance member Blyde asks if every potential brief creates a positive footprint to guide their decision.

An alliance of agency leaders

We are building an alliance of agency frontrunners walking the talk on climate action.

These agencies are divesting from fossil fuel clients, upskilling staff in anti-greenwash education, and committing to collaborate to solve challenges that are bigger than one agency can tackle alone.

They also recognize that this is just the baseline to 'doing good' - and that collective innovation is needed to transitioning the industry into a force for genuine climate solutions.

We find ourselves in a David vs Goliath position within the industry, but together we are strong and can lead the way, while influencing the industry to follow suit.

An alliance to accelerating the shift from pollution to solution.

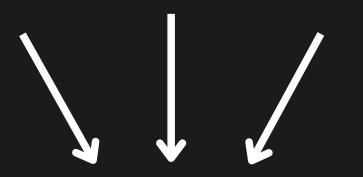


Ready to learn more and join the network?

Get involved

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JOIN THE MOVEMENT



www.creativesforclimate.co

