Senate Inquiry into Greenwashing

Ad Standards submission to the Senate Environment and Communications References Committee

12 September 2025





Introduction

Ad Standards is pleased to provide this second submission to the Senate Environment and Communications References Committee Inquiry into Greenwashing.

This submission builds on Ad Standards' initial contribution to the inquiry, submitted in <u>June 2023</u>, and provides updated information on key developments since that time.

It outlines the introduction of the new Australian Association of National Advertisers (AANA) Environmental Claims Code which came into effect on 1 March 2025. The submission also presents recent complaints data and case outcomes concerning environmental claims and potential greenwashing in advertising.

About Ad Standards

Ad Standards is Australia's advertising regulator. We handle complaints, promote responsible advertising, and support industry compliance with the advertising codes developed by the AANA.

Through a transparent, accessible, and impartial complaints process, we provide a vital platform for the public to raise concerns about advertising on all media. Our work supports both community expectations and industry standards, helping to uphold the integrity and accountability of advertising in Australia.

Ad Standards operates at no cost to government or the community and is funded by advertisers through a levy based on advertising spend.

The Ad Standards Community Panel is an independent body made up of community members who adjudicate complaints based on the advertising codes and prevailing community standards.

The Community Panel's composition mirrors the diversity of Australian society. The diversity of backgrounds, experiences, and opinions among Community Panel members is fundamental to ensuring that decisions align with the views and values of the public.

Community Panel members are free from any commercial influence. This independence supports the Community Panel's ability to provide objective, unbiased, and representative decisions.

The AANA Environmental Claims Code



The Ad Standards Community Panel considers complaints from the public about environmental claims and greenwashing in advertising under the <u>AANA Environmental Claims Code</u>.

Following an extensive public consultation process conducted by the AANA, a new Environmental Claims Code came into effect on 1 March 2025, replacing the previous version that had been in place since 2018.

The new Code introduced stronger obligations for advertisers, particularly around future-focused claims, the need for robust substantiation, and the overall presentation of advertisements, including the use of imagery, symbols, and design elements that may imply environmental benefits. These enhancements ensure that both the content and context of environmental claims meet high standards of accuracy and clarity. The Code is aligned with Australian Consumer Law (ACL) and reflects global best practice.

When assessing advertising under the AANA Environmental Claims Code, the Ad Standards Community Panel considers whether an average and reasonable consumer of the target audience a would be misled or deceived by the content.

The Environmental Claims Code rules:

1. Truthful and factual

Environmental claims in advertising must:

- a. Be truthful and factual. The overall impression created by the advertisement including the Environmental claim should not be false or inaccurate.
- b. Not be or likely to be misleading or deceptive to the target consumer.

2. Supported by evidence

Environmental claims in advertising must be supported by evidence.

3. Clear and not vague

Environmental claims in advertising must:

- a. Use clear language, having regard to the target consumer.
- b. Be specific broad, vague or unqualified claims should be avoided.
- c. Include important limitations, conditions or qualifications in a way that is clear to the target consumer.

4. Genuine benefit

Environmental claims in advertising must:

- a. Be about a genuine benefit to the environment.
- b. Not overstate the environmental benefit.

5. Future claims

Environmental claims in advertising about future environmental objectives must be based on reasonable grounds at the time the claim is made.

Practice notes for each rule are provided in the AANA Environmental Claims Code.



Complaints about environmental claims in advertising

Community concern about environmental claims is evident, however it is not a category that receives a high volume of complaints.

Table 1 presents the number of individual complaints received by Ad Standards regarding environmental claims in advertising between 2023 and 2025 to date, along with the percentage these represent of all complaints within Ad Standards' remit.

While the low volume of complaints about environmental claims may suggest low public concern, it may also reflect a lack of understanding or confidence in identifying and reporting misleading environmental claims in advertising. Environmental claims often involve terminology that may not be easily understood by all consumers.

Table 1: Individual complaints about environmental claims

Year	Environmental Claims Code complaints	% of all complaints within Ad Standards' scope	
2023	40	1.6%	
2024	30	1.0%	
2025 (as at 20 August)	19	1.4%	

Environmental Claims Code cases and outcomes

Between 1 January 2023 and 20 August 2025, 44 individual advertisements were assessed by the Ad Standards Community Panel under the AANA Environmental Claims Code.

Table 2 summarises the outcomes of these cases. Outcomes are categorised as:

- Breach: The advertisement was found in breach of the Environmental Claims Code.
- No Breach: The advertisement was found not to breach the Environmental Claims Code.
- **Settled**: The advertiser voluntarily modified or withdrew the advertising material before Community Panel assessment.

Detailed case reports on all Community Panel decisions are available on the Ad Standards website.

Table 2: Environmental Claims Code cases

Year	Breach	No breach	Settled	Total cases
2023	3	10	6	19
2024	2	9	2	13
2025 (as at 20 August)	4	6	2	12



Between 1 January 2023 and 20 August 2025, a total of nine advertisements were found by the Ad Standards Community Panel to breach the AANA Environmental Claims Code.

Table 3 provides details of these advertisements along with a link to the detailed case reports.

All advertisements found in breach of the Environmental Claims Code between 2023 and 2025 were modified or discontinued by the advertiser following direction from Ad Standards, representing 100 per cent compliance with breach determinations. This level of compliance highlights the effectiveness of Ad Standards' regulatory process and the industry's responsiveness to oversight.

It is important to note that modification or removal of an advertisement under the Code does not preclude enforcement action by the Australian Competition and Consumer Commission (ACCC) under Australian Consumer Law (ACL).

Table 3: Advertisements found in breach of the Environmental Claims Code (2023 – 2025)

2025 cases (as at 20 August)

Alcoa Australia (0182-25)

This print advertisement included the headline "Is Jarrah Forest rehabilitation possible? We're here with the facts."

The advertisement was found in breach of Sections 1 (Truthful and factual), 2 (Evidence), 3 (Clear and not vague) and 4 (Genuine benefit) of the new Environmental Claims Code and was discontinued.

View case report

Australian Gas Networks (0108-25)

This television advertisement featured the MasterChef kitchen. A voiceover says "It's not just the innovative dishes that come out of this kitchen that will surprise you, it's also the gas. The MasterChef kitchen is cooking with renewable gas again, and at AGN we're working towards a future where renewable gas could one day be used in your kitchen. With all the control you love. To find out more, head to renewable-gas.com.au."

The advertisement was found in breach of Section 1 (Truthful and factual) of the new Environmental Claims Code and was discontinued.

View case report

Australian Gas Networks (0058-25)

This LinkedIn advertisement featured a cartoon image of a gas cooktop and the words "In Victoria, gas cooktops have the lowest annual energy cost (\$18) and lowest annual emissions (32kg CO2-e)."

The advertisement was found in breach of Sections 1a (Truthful and factual), 2b (Genuine Environmental Benefit) and 3a (Substantiation) of the previous Environmental Claims Code and was discontinued.

View case report



Hancock Prospecting (0009-25)

This online advertisement featured the text "Our clean gas keeps the lights, and factories, hospitals, and shops open from Tokyo to Toowoomba" and "Hancock Energy".

The advertisement was found in breach of Sections 1a (Truthful and factual) and 3a (Substantiation) of the previous Environmental Claims Code and was discontinued.

View case report

2024 cases

Aldi (0236-24)

This advertisement was a sticker on the door of a freezer in store with the words "Powered by 100% renewable electricity".

The advertisement was found in breach of Sections 1a (Truthful and factual) of the previous Environmental Claims Code and was discontinued.

View case report

The Climate Study Group (0032-24)

This print advertisement featured the headline "The carbon dioxide climate myth".

The advertisement was found in breach of Sections 1a (Truthful and factual) and 3a (Substantiation) of the previous Environmental Claims Code and was discontinued.

View case report

2023 cases

NSW Minerals Council (0296-23)

The website content available at www.responsiblemining.com.au outlined the steps taken by NSW Mining to mine more responsibly, restore land and adjust its practices for future improvement.

The content was found in breach of Sections 1a and 1b (Truthful and factual), 2a and 2b (Genuine Environmental Benefit) of the previous Environmental Claims Code and was modified.

View case report

NSW Minerals Council (0295-23)

This 30 second video hosted on the NSW Mining YouTube page showed people speaking to camera and scenes related to mining.

The advertisement was found in breach of Sections 1a and 1b (Truthful and factual), 2a and 2b (Genuine Environmental Benefit) of the previous Environmental Claims Code and was discontinued.

View case report



This television advertisement promoted natural gas and included a statement that it is 50% cleaner.

The advertisement was found in breach of Sections 1a (Truthful and factual), 2a (Genuine Environmental Benefit) and 3a (Substantiation) of the previous Environmental Claims Code and was modified.

View case report

Community perceptions research

In addition to handling public complaints, Ad Standards conducts regular research to understand general community perceptions of, and attitudes towards, advertising.

The 2024 Ad Standards Community Perceptions Research found that 19 per cent of Australians were concerned about environmental claims and greenwashing in advertising, indicating that this issue resonates with a significant portion of the community.

More broadly, 43 per cent of respondents reported concern about misleading or deceptive advertising, reflecting strong public interest in the integrity and accountability of advertising content. As respondents were able to nominate up to five areas of concern, this figure may include individuals with both general concerns about misleading advertising and specific concerns about environmental claims.

The research also found that 96 per cent of Australians are aware that rules apply to advertising, and 89 per cent believe the role of Ad Standards is important, highlighting strong public support for independent oversight and the value of Ad Standards in responding to community concerns and maintaining advertising standards.

Conclusion

Ad Standards welcomes the opportunity to contribute to this important inquiry and share insights into the operation of Ad Standards and the AANA Environmental Claims Code.

Should the Committee wish to explore any aspect of this submission further, Ad Standards would be pleased to assist.

Sincerely

Greg Wallace
Executive Director
Ad Standards

12 September 2025





