

SproudTM

Ethical Marketing Policy for Sproud International AB

THE ALT-ALT M*LK

The food system of today needs a reboot. We are the alternative to the alternatives. Low in sugar, high in protein and with less climate impact than all other plant m*lks. Our reason to be amongst all other plant-based dairy alternatives is our total uncompromisingness in everything we do. We are not compromising with the ingredients we put in our products or the way we make them, to make sure that our consumers doesn't have to compromise with their health, taste or the climate when using them.

Marketing plays a significant role in how we attract and win business, and we acknowledge that there are ethical approaches we can take as a company to ensure that we can live by our 'triple-bottom line' approach in business.

Treating our customers and consumers with respect and focusing on long term growth – we can build strong relationships with our community through set of shared values to realize our vision of changing the world's food system to be plant-based. Marketing in an ethical way focuses not only on how our offering benefits our customers and consumers, but also how our company is striving to reduce climate impact (CO₂), both for our own products and processes, and by helping consumers choose plant-based over dairy.

Ultimately, the public have the right and power to information on how we do business, and our marketing function has a big responsibility to make this happen the right way at the right time.

POLICY PURPOSE

Sproud seeks to uphold the highest ethics when it comes to our marketing, which includes transparency as well as climate- and social responsibility. Below highlights our approach to our ethical marketing, practices, and efforts to go beyond compliance to ensure transparency and responsibility in our ways of working.

SCOPE

This policy applies to all employees and third parties including but not limited to cooperation partners, advertising agencies, media- and production partners, no matter where they are located. The Policy also applies to Trustees and Board members at any level. In the context of this Policy, third-party refers to any individual or organisation that Sproud meets and works with including but not limited to suppliers, contractors, distributors, agents and customers.

MARKETING PRINCIPLES AND COMMITMENTS

A. **Legally Compliant**

All marketing communication must comply with independent marketing and advertising standards in our local jurisdiction and **food industry** legal within the jurisdictions we market in, as well as being decent, honest, and truthful. To ensure this happens, we prepare all marketing communication with a sense of responsibility to consumers and society.

We must also respect the privacy and confidentiality of customers, protecting them from unwarranted infringements of privacy. To learn more about this - review our [Privacy Policy](#).

B. **Honesty**

We commit to absolute honesty in our marketing in our own campaigns/for customers and partner driven projects.

To do this, we pledge to:

- Never use dishonest marketing tactics for our marketing campaigns, including:
 - False advertising: exaggerating values and benefits of our offering.
 - Fake or overly doctored reviews and testimonials.
 - Inflated analytics or results when creating messaging.
- Never “cherry pick” specific data points to use in marketing and communications that are not representative overall marketing impact.
- Not withhold negative information or data from the public solely to protect our image.
- Only use words that are realistic descriptors of the offering or impact we are promoting.

C. **Integrity**

We commit to the utmost integrity for our marketing in our own campaigns/for customers and partner driven projects.

To do this, we pledge to:

- Make transparent potential risks and negative impacts of our offering, including, when appropriate ingredient lists, nutritional information, and climate impact.
- Evidence behind everything we publicly state to prove any claims that our customers are likely to regard as objective and that are capable of objective substantiation.
- Maintain best practice with white hat SEO and content marketing, avoiding any ‘black hat’ tactics.
- Reject Impact Washing in all its forms - this is similar to greenwashing and happens when a business exaggerates their positive impact to gain a marketing advantage or uses “feel good” marketing to cover up or distract from negative outcomes that their core business model is having in other areas—socially or environmentally.

D. **Environmental**

Both in the messaging, and in the ways in which we advertise we commit to minimizing the impact we have on the environment.

To do this, we pledge to:

- Be truthful and honest in our communication when it comes to the impact our offering has on the environment, to avoid any issues related to greenwashing - taking into account governmental guidance including the [Green Claims Code](#) publish by DEFRA and [ICC Framework for Responsible Environmental Marketing Communications](#)
Where possible, measure the emissions related to our advertising.
- Choose communication methods and partners that align with our focus to have a reduced impact on the environment.

- Not make unqualified claims and any absolute claims must be supported by a high level of academic and scientific evidence.
- Base environmental claims on the full life cycle of an advertised product, unless the marketing communication specifically states otherwise, and make clear any limitations.

E. Socially responsible

We commit to socially responsible communication and marketing in our own campaigns/for customers and partner driven projects.

To do this, we pledge to focus on the following areas:

- **Inclusivity:** We recognize that the "average consumer" may not represent everyone, and we strive to consider diverse perspectives in our advertising decisions.
- **Vulnerable Groups:** We acknowledge and prioritize the needs of vulnerable groups, ensuring that our marketing is understood and positively received by society as a whole.
- **Human Dignity:** We respect the inherent dignity of all stakeholders, valuing their individual differences and avoiding negative stereotypes or dehumanizing portrayals.
- **Customer Satisfaction:** We listen to our customers, continuously improving their satisfaction by monitoring their needs and making reasonable efforts to meet them.
- **Cultural Respect:** We treat all stakeholders in our community, including buyers, suppliers, and distributors, with understanding and respect for their unique cultures. To do this we will seek input from relevant stakeholders and communities.
- **Supporting the Vulnerable:** We make additional commitments to support vulnerable market segments, such as children, seniors, and economically disadvantaged individuals.
- **Offense-Free Communication:** Our marketing communications avoid anything likely to cause widespread offense, maintaining sensitivity to diverse backgrounds and perspectives.
- **Child Protection:** We exercise caution when featuring or addressing children, ensuring their well-being by avoiding physical, mental, or moral harm in our marketing communications.
- **Safety Promotion:** We never depict children in hazardous situations or promote dangerous behaviour, instead prioritizing their safety and well-being.

RESPONSIBILITIES

The marketing team, led by the Group Marketing Manager, is ultimately responsible and accountable for ensuring compliance with this Policy. This compliance extends to any third parties/marketing partners - who will be clearly notified of the existence of this policy. Sproud will not work with any partner unwilling to comply with this Policy.

TRAINING

It is easy to claim that our efforts are honest, however, it takes discipline, rigor, and sometimes internal conflict to ensure honesty in marketing. To ensure this happens our marketing team is trained and accountable to our Ethical Marketing Guidelines, with refreshers run annually and when new marketing employees joining the business, to ensure best practice is maintained. Throughout the guidelines, we ask ourselves the following questions during campaign strategy and execution:

- Are we clearly communicating our offering without exaggerating or misleading our key audiences?
- Are we using language that honestly communicates the features and benefits of our products and services?

- Are we accurately quoting our customers, partners, and team when we share reviews or testimonials?
- Is our use of data and examples honest and accurate when promoting our features, benefits, or the impact of our products?
- Is there internal pressure to communicate dishonest information within the marketing and communications coming from team members or the leadership? If so, we will push back or disengage from the project. A reminder the company's whistleblower policy is [here](#) if you wish to raise concerns anonymously.

PUBLICLY DISCLOSING

Sproud will disclose in our annual impact report, any marketing campaigns that in retrospect didn't meet our ethical standards. We do this as we acknowledge that we are improving in this space, but that here is still much for us to learn.

With the disclosure, we will also share our learnings and future corrections to not only ensure we are able to fulfil our ethical marketing policy in the future, but also share this with other companies who can utilize these learnings also.

REVIEW

This policy was established by Sproud Group Marketing Manager and approved by CEO. The Policy will be reviewed periodically or on an annual basis.

Doc: Ethical Marketing Policy	Updates & changes	Updated by
Version: 001, 2024-01-09	Established Ethical Marketing Policy	Jenny Östholm



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