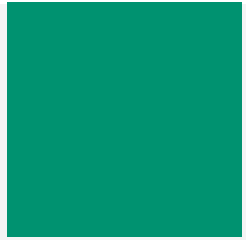


# NAVIGATING THE GREEN CLAIMS CODE AND AVOIDING GREENWASHING



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# INTRO

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In February 2022, the drinks brand Innocent had an advertisement featuring a man and his otter companion 'fixing up the planet' while drinking one of its flagship smoothies, ripped from TV broadcast.



# Greenwashing

/verb/ - the process of conveying a false impression or providing misleading information about how a company's products or services are more environmentally sound.

The Advertising Standards Authority had sided with complainants – including the activist group Plastics Rebellion – who had reported the TV segment for claiming that drinking smoothies is good for the environment.

Innocent's response was that it was a B Corp certified business with a commitment to being carbon neutral by 2030. In fact, the brand had opened a carbon neutral factory that ran on renewable energy and a cleaning system that reduced water usage by 75%. Innocent wanted there to be no doubt, as drinks brands go, they're one of the good guys.

But the bit was pulled from television nonetheless and the drinks brand banned from making claims about the supposed environmental merits of its products without supplying the sufficient proof.

**The reason being, despite even its best intentions, Innocent was greenwashing.**

It was the high-profile nature of the decision from the ASA that put the term firmly on the marketing world's radar while the case itself gave rise to the subsequent hundreds more to emerge as advertising watchdogs across Europe began the clamp-down on greenwashing.

Headlines surrounding other big-name brands quickly hit mainstream media, including miss-steps from the high street fashion brand H&M and the sports retail specialist, Decathlon who both fell afoul of marketing watchdogs across Europe in 2022.

Greenwashing – the process of conveying a false impression or providing misleading information about how a company's products or services are more environmentally sound – has become the big 'no no' in sustainability messaging. It's also fast becoming a challenge for brands that, if handled incorrectly, could have long-lasting repercussions among a customer base more discerning today than ever before.





## Let's take a look at the stats...

In a survey from 2021, it was found that 61% of consumers have reduced their usage of single-use plastics, while 85% have adopted at least one lifestyle change to be more sustainable over the last year.

With conversation around climate change finally elbowing its way to the table, consumer habits are leaning into more sustainable mindsets. As of 2021, 45% of Gen Z shoppers had stopped purchasing certain brands because of ethical or sustainability concerns. That's almost half of Gen Z shoppers who simply stopped buying brands that weren't addressing the climate or plastic pollution crises in some way.

Meanwhile, 78% of consumers believe companies have a larger role to play in society than just looking after their self-interests.

To put it simply, even if environmentalism isn't at the core of your brand or business, there is more incentive to get on that sustainability journey than ever before. Look at the Google search statistics from 2020; in the lead up to Earth Day that year, the web giant reported a 4,550% increase in searches related to living a more sustainable lifestyle.

**Citizens are beginning to educate themselves around sustainability, and the world is calling out for brands to take action too.**



# The sustainability gold rush



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Where there is demand, there is opportunity.

**Pamela Stathaki**  
ESG Director,  
HAVI

“We have seen a huge uplift in brands providing plastic-free products, while we are seeing established retailers, like IKEA, offering rental services to begin the move to new business models. Meanwhile, companies are reducing packaging waste left, right, and centre while singing about the credentials of their material innovation,”

It’s hardly surprising that brands have found themselves at the centre of this conversation; these are names that flow in and out of the customer living space on a daily basis.

It’s a fact, Pamela says, that 88% of people want brands to help them make a difference. It’s also true that 43% believe companies make it hard for them to choose sustainable options.

## What does this tell us?

Well, to put it succinctly – communicating your sustainability credentials is an important tool in the locker. What for, you ask? Let's break it down using Pamela's rationale:

### 1. Knowledge transfer and education

Consumers like to stay informed about what their favourite brands are doing. They also want to know their favourite brands are doing more to protect the environment. Your sustainability messaging is your chance to educate and inform your audience on the strategy and what you are doing to reduce your environmental impact.

### 2. Transparency

This is integral to your sustainability journey. Being transparent about your supply chain, how you are sourcing materials, ingredients, or resources will help you to build a level of trust with your customer that you are on your journey of sustainable development.

### 3. Brand Image and Purpose

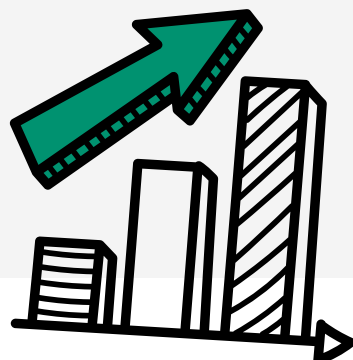
How consumers view your brand from an ethical and sustainable standpoint is a key factor in that same trust-building process. Placing purpose at the centre of your business is a greatly rewarding practice, too.

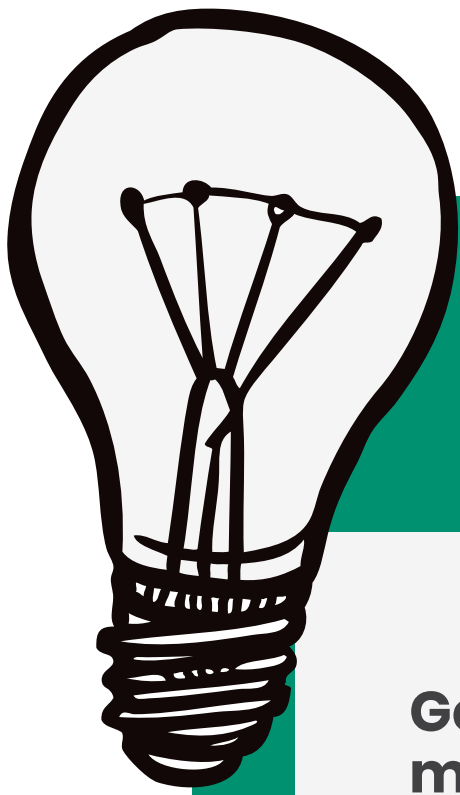
### 4. Building Trust

Reinforcing in the minds of the consumer that your brand is on a journey of sustainable development. You are open and honest about where your business has been, the commitments you have made, and where you are headed.

### 5. Encouraging loyalty

Customers want to shop with brands that are on that path to doing better by their people and the planet.





## **Get your sustainability messaging right, and you're looking at a partnership with a consumer who will likely walk that journey of sustainable development with you.**

Get it wrong; mislead or tell only half the story, and things could go sideways rather quickly...

The truth of it is greenwashing is a serious problem. In January 2021, the International Consumer Protection Network found 40% of websites misled consumers on environmental credentials.

"This is why we have seen a huge movement around anti-greenwashing. We've seen huge interest from consumers themselves, we are seeing it all over the media, and we have seen that claims of greenwashing have increased," said Pamela Stathaki. "And we've seen a vast increase in the number of companies being fined for making misleading claims."



## A man and his otter...

Let's bring this back to the example of Innocent drinks for better context.

In the ad, a man and his otter find their boat is hijacked by revellers celebrating chaotically as they approach a large waterfall. They sing about "messing up the planet" until they find themselves suddenly in danger, hanging off the edge of a cliff. They then row back to safety, clear up the rubbish, and start turning apples on a tree into Innocent smoothies, which they all drink as they "fix up the planet".

Complainants argued that the ad implied drinking smoothies from a disposable plastic bottle was good for the environment.

While Innocent denied it was trying to portray smoothies as good for the environment and that rather it was making a call to action to customers not to harm the planet, the ASA ruled greenwashing. It found that Innocent's advert drew a strong association between the drinks and a positive impact on the environment.

The ruling stated that "many customers would interpret the overall presentation of the ad to mean that purchasing Innocent products was a choice which would have a positive environmental impact." The authorities wanted evidence this claim was in fact correct, and they were not satisfied with the response.



Where Innocent fell in this instance was in providing no proof of a claim. Without proof the claim could only be determined to be false.

And perhaps most fundamental of all, drinking from single use plastic is not protecting the environment.

# The telltale signs of greenwashing

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Let's pay Innocent its dues. The B Corp certified business certainly has sustainability well-and-truly on its agenda. But the reality of its journey got blurred in its strategy storytelling.

"In most cases, greenwashing isn't malicious. There's just a bit of miscommunication. Much of the time it's through eagerness to jump on the sustainability trend without considering the entire picture. A company might be on a journey and doesn't have all the answers but wants to talk about progress. However, sustainability messaging is hard – and often not very sexy – and this can lead to unintentional oversimplification of some very complex topics and credentials,"

**Pamela Stathaki**  
ESG Director,  
HAVI

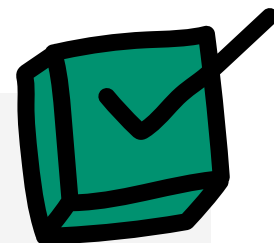
Staying vigilant of false claims or claims lacking actual supporting evidence is a sure-fire way to sniff out greenwashing. But there are a number of other tells that give the game away. Pamela gives us her run-down on the key signs to look out for:

- **The colour green or an eco-friendly look are the more obvious signs**
- **Fluffy language or the use of buzzwords**
- **Emphasising one specific green attribute and oversimplifying the message**
- **Gaslighting or deflecting**

Ask a room full of people if they've ever been a victim of greenwashing, the majority will nod their heads. When you want something to be true, it's easy to accept the story you are told. BP's campaign #BPBeyondPetroleum made some rather large noise around investing more into renewable energy than people generally realised. The reality of the situation remains, however, that more than 96% of BP's annual spend is on oil and gas – it's a truth that doesn't marry up with its now banned marketing campaign.

Famously, Volkswagen left consumer watchdogs irate when in 2015, after promoting vehicles with a 'low-carbon footprint', it was discovered that VW had cheated on its emissions test while boasting 'eco-friendly features.' The brand is still dealing with the damages from this episode, not only financially, but in how it is perceived by the consumer.





## So, how do we avoid greenwashing?

In January 2021, the UK government issued its Green Claims Code, a 13-point checklist for brands and manufacturers to work through ahead of making any public claim about the sustainability of their products or service.

When making a green claim, a business should be able to answer 'yes' or agree to each of the following statements:

1. The claim is accurate and clear for all to understand
2. There's up-to-date, credible evidence to show that the green claim is true.
3. The claim clearly tells the whole story of a product or service; or relates to one part of the product or service without misleading people about the other parts or the overall impact on the environment.
4. The claim doesn't contain partially correct or incorrect aspects or conditions that apply.
5. Where general claims (eco-friendly, green, or sustainable for example) are being made, the claim reflects the whole life cycle of the brand, product, business, or service and is justified by the evidence.
6. If conditions (or caveats) apply to the claim, they're clearly set out and can be understood by all.
7. The claim won't mislead customers or other suppliers.
8. The claim doesn't exaggerate its positive environmental impact, or contain anything untrue – whether clearly stated or implied.
9. Durability or disposability information is clearly explained and labelled.
10. The claim doesn't miss out or hide information about the environmental impact that people need to make informed choices.
11. Information that really can't fit into the claim can be easily accessed by customers in another way (QR code, website, etc).
12. Features or benefits that are necessary standard features or legal requirements of that product or service type, aren't claimed as environmental benefits.
13. If a comparison is being used, the basis of it is fair and accurate, and is clear for all to understand.

## Now there's a bit of system overload for you.

Products of Change can boil this down to six summations that all claims about products must be:

- **Truthful and accurate**
- **Clear and unambiguous**
- **Must not omit or hide important or relevant information**
- **Consider the full life cycle of the product or service**
- **Must be substantiated**
- **Comparisons must be fair and meaningful**



According to the circular economy expert, Arthur Parry, there is an even simpler test for anyone looking to check for greenwashing in their own communications, and that is to ask yourself one thing:

**Do I fully understand the environmental benefit claimed, and could I defend this if called upon to do so?**

“You may claim that ‘all our plastic toys are now made with bio-sourced material from renewable resources.’

However, if demand for that crop has now increased so much it is driving deforestation in that area, then clearly we do not have a sustainable outcome.”

Okay, how do we start to navigate all this information? And what can we say that won’t land us in hot water? Well... actually, quite a lot!

“Key to real sustainability is to look for systemic solutions,” says Arthur. “The kind that aim to eliminate sources of waste or emissions by design; then make your verifiable claims based on these.

“It also lies in clarity. Be clear on your transitional interventions. For example, when talking about activities to offset existing sources of waste, explain how this is something you are doing while looking for longer term solutions.

“Finally, identify areas in which you can act to ensure that materials remain in use (ideally at their highest value state) and avoid them entering the waste stream.”

This could be in the form of return schemes, partnerships in the resale market, or schemes that ensure materials are returned for remanufacture.

“This sort of activity can also generate extremely compelling claims, and even lead to cost optimisation and additional sources of revenue,” says Arthur.

You can learn more about these principles of the circular economy at the Products of Change Circular Economy White Paper.

[VIEW PAPER](#)

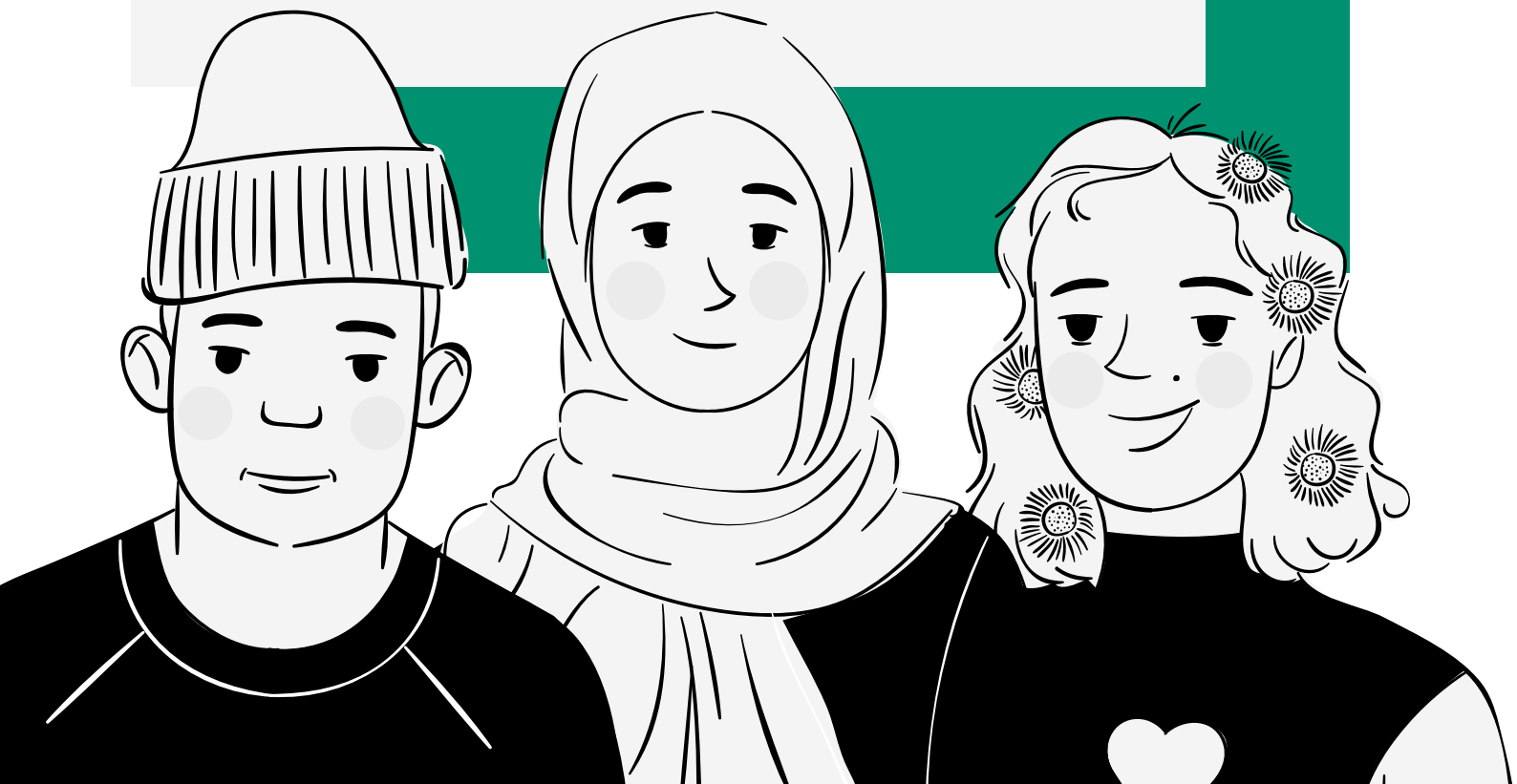


# Remember... you are not alone

We're in the business of reducing our impact and protecting the planet together. No one business or one individual can do this on their own.

Equally, we need to make working in siloes a thing of the past. Your company's sustainability messaging is not just the work of the marketing team. To get this right, disciplines ought to be working together; marketing needs to work alongside your company's sustainability team, who needs to work alongside the PR division, and together it should all plug into the legal department to really seal the deal.

Break siloes, break the mould, and break through those greenwashing challenges.





**For further reading, check out some - or all - of the below:**

B-CORP

IMPACT 2030

PRODUCTS OF CHANGE

ICCWBO

MEANINGFUL

SDG HUB

SDG COMPASS

UN GLOBAL COMPACT

WORLD BENCHMARKING ALLIANCE







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to help support you on your  
sustainable journey, please do  
come join our community...

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