



RAMBOLL

Bright ideas.
Sustainable change.

Understanding and Countering Greenwashing: Laws, Guidelines, and Effective Strategies

RMC UK

Ramboll

ABOUT RAMBOLL

Founded in Denmark in 1945, Ramboll is the largest privately owned consultancy in Europe.

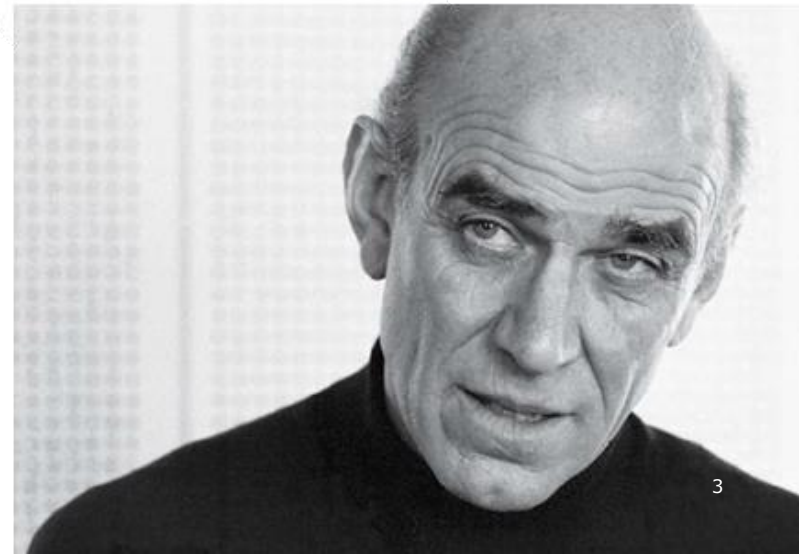
Ramboll employs more than 16,500 experts globally over 300 offices in 35 countries. Ramboll combines local experience with a global knowledge base, constantly striving to achieve inspiring and exacting solutions that make a genuine difference to our clients, the end-users, and society at large. Ramboll has 20 offices and 1,300 people in the UK.

16,500 employees
300 offices
35 countries

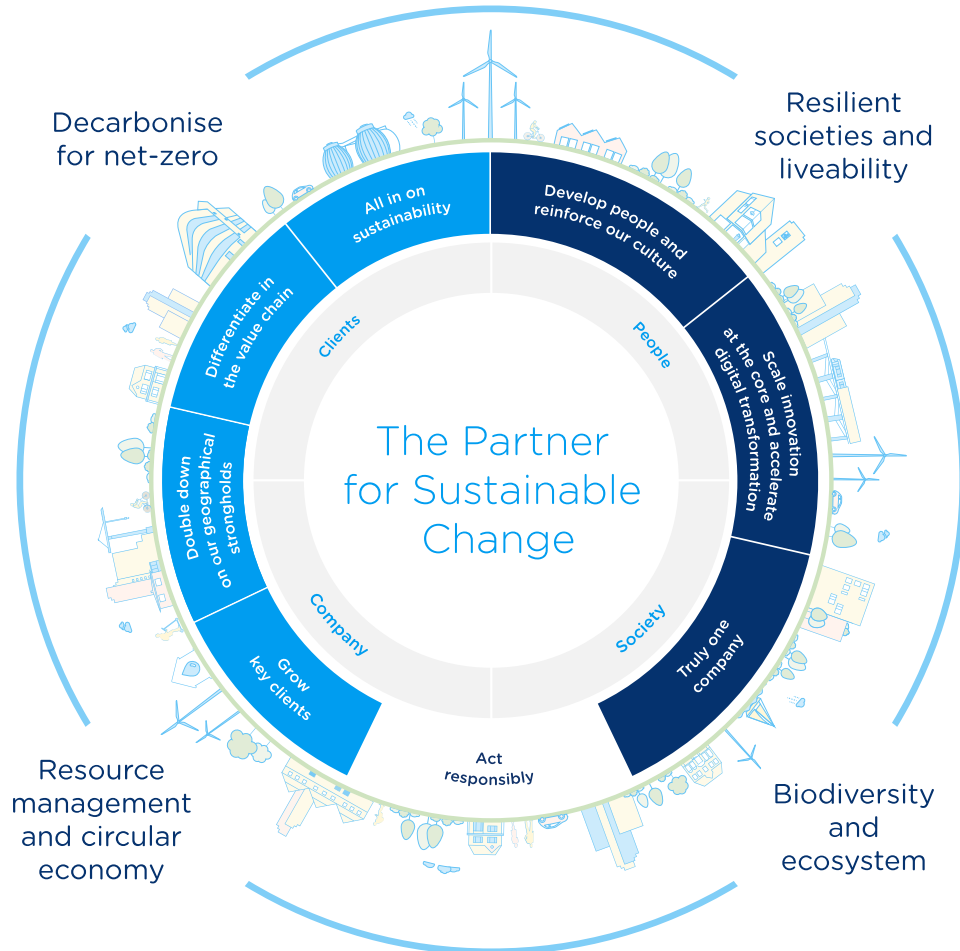


“Being decent and proper does not only concern whether your tie is in place when doing business. It is about treating other people and society right in a long-time perspective”

B.J. Rambøll



OUR STRATEGIC AMBITION



Our ambition is to become a global leader within four unifying sustainability themes



Decarbonising for Net Zero

Accelerate the Green Energy Transition: Renewables and new technologies
Decarbonisation of the built environment in Buildings, Transport, Water and Energy-intensive industries via sustainable materials and reduced energy consumption.



Resilient societies and liveability

Planning, designing, and retrofitting for resilient, healthy, safe, inclusive and socially coherent societies, cities and communities with attractive and accessible infrastructure and services, mobility, clean water and environment, and economic opportunities.



Resource management and circular economy

Resource management for a transition to circular economy
Design for re-purposing and re-use of natural resources, building materials, lifetime extension, end-of-life and reuse of secondary materials.



Biodiversity and ecosystem

Protection of natural habitats and biodiversity, restoration of nature and ecosystems, bio-economy, biomaterials, and natural carbon sequestration in ecosystems.

Our breadth of expertise in Sustainability

Ramboll has expertise in the full spectrum relating to sustainability with active representation in the various industry initiatives and councils shown:



SCIENCE
BASED
TARGETS



Ricardo Weigend Rodriguez

- Principal in Circular Economy at Ramboll UK.
- Experienced professional with over 12 years in the Sustainability and Circular Economy fields.
- Designed and executed the Circular Economy three-year strategy at HEINEKEN Mexico.
- PhD in Circular Economy and Foresight applied to organisations at Edinburgh Napier University.
- Former online teaching assistant for the University of Chicago's executive course in Circular Economy and Sustainable Businesses.



Outcomes of the session

- ✓ Gain insights into strategies to combat greenwashing.
- ✓ Understand the legal boundaries and constraints in addressing greenwashing.
- ✓ Identify actionable steps towards transformation to foster positive environmental impact.
- ✓ A meaningful discussion and sharing experiences among attendees.



Agenda

1. Greenwashing: Why this matters and the current landscape
2. Recognising the Many Shades of Greenwash
3. Understanding the Law: Legal Frameworks Overview
4. The 'How Not To Greenwash' Checklist
5. Red flags to look out for and asking the right questions
6. Q&A and discussion



Greenwashing: Why this matters and the Current Landscape

Why does this matter?

Thanks to rapidly emerging regulations and intensified global awareness, we are entering an era of increased accountability and urgency to drive behavioural change.

This is an era of opportunity but also one with many questions:

“How do we get this transition right?”

“What are the stories we need to tell?”

“How can we best support our clients and communities?”

Defining greenwashing

Dictionary

Definition

noun

Example Sentences

Word History

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greenwashing 1 of 2 noun

green·wash·ing 'grēn-, wò-shīŋ - ,wä-

: the act or practice of making a product, policy, activity, etc. appear to be more environmentally friendly or less environmentally damaging than it really is

The practice of *greenwashing* appears more common as firms attempt to better position themselves in a global marketplace growing more concerned with corporate sustainability.

– Timothy W. Aurand et al.

Not only is *greenwashing* bad for the environment, but it's misleading to consumers who want to invest in products that aren't harmful to the planet.

– Jennifer Manfrin

The *greenwashing* allegation ... adds to efforts to heap pressure on some of the world's biggest polluting companies as regulators take an increasing interest in climate change.

– William Mathis and Austin Weinstein Bloomberg

A lack of rigorous measurement means that *greenwashing* is rife and bogus claims go uncontested.

– *The Economist*



Recognising the Many Shades of Greenwash

Recognising the many shades of greenwash

GREENCROWDING	Relying on safety in numbers and the fact that the crowd will move at the speed of the slowest
GREENLIGHTING	Spotlighting something green - to draw attention away from unsustainable practices, operations or products
GREENLABELING	Marketing something as sustainable, but closer examination reveals the claim is misleading
GREENSHIFTING	Implying that the consumer is at fault and shifting the blame on them
GREENHUSHING	Under-reporting or hiding sustainability credentials to evade scrutiny from investors
GREENRINSING	Regularly changing environmental, social and governance targets before they are met.

Factual Omissions

Greenwash Assessment indicator questions:

Omissions

Is the organisation's green claim based on a limited number of features that leave out others and/or neglect to mention the organisation's big-picture environmental impact?

Distortions

Does the organisation claim "net-zero" emissions but not explain what goes into that calculation?

Denial

Is the marketing budget aside for promoting the green initiative larger than the resources invested in the initiative itself?

Understanding the Law: Legal Frameworks overview

Global overview

National laws and guidelines on green claims have existed for years and have been updated recently. In some territories, new regulations are proposed. These legal developments are happening continuously and rapidly.



Recent updates to anti-greenwashing regulations and self-regulatory guidelines have been made in both the UK and the US. The US FTC's Green Guide now includes new guidance on "carbon offset" claims. In the UK, the Sustainability Disclosure Requirements (SDR) is a regulatory regime established by the Financial Conduct Authority (FCA) to standardise how sustainability information is disclosed by financial market participants in the UK.



In Europe, the recently adopted 'Empowering Consumers for the Green Transition Directive' will strengthen the existing framework on sustainability claims. This includes prohibiting sustainability claims without demonstrating their environmental performance. These rules will apply from 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.

United Kingdom

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."
● <u>Advertising Standards Agency guidance</u>	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

European Union

Regulation	In a nutshell	For whom	Timeline
<p>● Unfair Commercial Practices Directive <u>2005/29/EC</u> (‘UCPD’)</p>	<p>Protects consumers against misleading (voluntarily made) sustainability claims</p> <p>Sustainability claims: both ethical claims & environmental claims</p>	<p>All companies making voluntary claims about sustainability facing EU consumers</p>	<p>Already active and base of current government-led anti-greenwashing Enforcement</p>
<p>● EC Guidance on the applicability of the UCPD <u>2021</u></p>	<p>Guidance from European Commission on when environmental claims are considered misleading towards consumers?</p>	<p>Same as UCPD</p>	<p>Already active, used to give guidance to enforcement</p>
<p>○ Empowering Consumers for the Green Transition Directive <u>2024/285/EC</u> (‘ECGT’)</p>	<p>Strengthening the UCPD on anti-Greenwashing.</p> <p>New practices banned under all circumstances include:</p> <ul style="list-style-type: none"> • Sustainability labels that are not based on a certification scheme; • Generic environmental claims 	<p>Same as UCPD</p>	<p>Same as UCPD 27 Sept 2026 Adopted but needs to be transposed into national law by EU Member States.</p>
<p>● Green Claims Directive (‘GCD’)</p>	<p>New rules on the substantiation and verification of environmental claims and labels.</p> <p>Prior verification of environmental claims, complemented by external ‘verifier’ within 30 days.</p> <p>Emission reduction and compensation claims only allowed under strict circumstances.</p>	<p>All companies making voluntary environmental claims facing EU consumers.</p> <p>No prior verification for micro-enterprises, unless voluntarily.</p> <p>Delayed entry into force for small companies.</p>	<p>Not yet adopted.</p> <p>Will be followed up by new European Parliament after June ‘24 elections and still needs to take a few parliamentary hurdles.</p> <p>If adopted, expected to enter into force late 2026 or in 2027.</p>

The 'How Not To Greenwash' Checklist

The 'How Not To Greenwash' Checklist

Do	
<input checked="" type="checkbox"/>	Start with the proof points - not the claim
<input checked="" type="checkbox"/>	Make sure your sustainability claims are <ul style="list-style-type: none">• Truthful and accurate• Clear and unambiguous• Substantiated with up-to-date facts and scientific evidence
<input checked="" type="checkbox"/>	Avoid vague and glorifying terms like "eco-friendly" or "good for the planet"
<input checked="" type="checkbox"/>	Avoid jargon
<input checked="" type="checkbox"/>	Make fair comparisons with other products or competitors and verify relative claims like "greener"
<input checked="" type="checkbox"/>	Provide a verifiable strategy to deliver any future sustainability ambitions you describe, especially your Net Zero and Nature Positive goals
<input checked="" type="checkbox"/>	Ensure visual imagery and labels support, rather than confuse, your claims
<input checked="" type="checkbox"/>	Explain any conditions of your claims

Don't	
<input checked="" type="checkbox"/>	Omit or hide material information that undermines your sustainability claim
<input checked="" type="checkbox"/>	Refer to carbon offsetting as "climate-neutral" or "carbon-neutral"
<input checked="" type="checkbox"/>	Overstate a quality of a product - such as "natural", "organic", "recycled", "recyclable" or "biodegradable" - when that only refers to a % of the product ('cherry-picking')
<input checked="" type="checkbox"/>	Conflate claims about a product with an overall claim about the brand
<input checked="" type="checkbox"/>	Present a claim as the result of voluntary action when it is simply required by law
<input checked="" type="checkbox"/>	Display sustainability labels that are not based on a certification scheme
<input checked="" type="checkbox"/>	Just audit your advertising claims - apply this same guidance to all areas of your communications, from your website and social media to your impact reports and IPO

Red flags to look out for
and asking the right
questions

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

Prioritising carbon offsetting:

Offsets rarely, if ever, do what they say on the tin and should have no place in a core part of the client's sustainability strategy.

Setting intensity reduction goals and not absolute targets:

This allows businesses to claim they reduce 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: usually increase greenhouse emissions and come with a host of negative environmental and social impacts.

Sustainable Aviation Fuel is another fuel that currently doesn't reduce emissions at any real scale and may be a long way off from doing so.

Natural Gas: The EU recently included it in its 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 euros/pounds on questionable sustainability marketing while investing just a fraction of that spent in genuine sustainability efforts

Asking the right questions

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.

1 In what way do your business operations harm the long-term wellbeing of people and the planet?

2 How do you engage and collaborate with stakeholders, including employees, customers, and suppliers, to promote ethical practices and sustainability?

3 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?

4 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)?

5 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?

6 Do you plan to use offsetting at all and if so, what is your phase out plan?

7 What role does advertising and marketing play in your sustainability efforts?

Q&A

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