



LITTLE BLUE RESEARCH

SERVICE INFORMATION

IMPACT & GREEN CLAIMS



Evidencing impact & green claims: Peer review

Helping business navigate the impact landscape and manage the risks and opportunities associated with Impact & Green Claims.



Summary

As awareness of climate change and biodiversity loss grows, sustainability-conscious consumers are increasingly seeking products with 'green' or 'sustainable' credentials. Nearly half of UK consumers identify as sustainable or ethical shoppers¹.

In addition, an increasing number of investors are showing interest in 'sustainable' investments. To meet this demand, companies are feeling the pressure to openly share details about their actions and commitments. While most actors have good intentions when making green claims, occasionally misleading information can reach the public domain, leading to accusations of greenwashing.

What is greenwashing?

Greenwashing is defined by the UN as ***“misleading the public to believe that a company or other entity is doing more to protect the environment than it is”²***. The term includes disproportionately highlighting minor, less impactful sustainability efforts to divert attention from more negative actions and emphasizing green features or initiatives to divert attention away from less environmentally friendly practices.³



How has legislation changed?

Over the last few years, a swathe of legislation across jurisdictions has been launched to combat misinformation relating to 'green', 'sustainability' and 'impact' based claims to protect both consumers and investors. The following table provides some examples.

Aim	Examples of relevant legislation
Consumer protection	<ul style="list-style-type: none">• USA Federal Trade Commission's Green Guide available since 1992, update in 2012• The proposed EU Green Claims Directive (2025) and• The UK's Competition and Markets Authority (CMA) now has enhanced enforcement powers under the Digital Markets, Competition and Consumers (DMCC) Act, allowing it to impose severe penalties on businesses that breach consumer law, including those guilty of greenwashing.
Investor protection	<ul style="list-style-type: none">• The EU Sustainable Finance Disclosure Regulation (SFDR) (2021) which aims to promote transparency in financial services on environmental, social, and governance (ESG) factors.• The UK's Sustainability Disclosure Requirements (SDR) including the launch of the anti-greenwashing rule in 2024 for all FCA-authorised firms restricting how sustainability claims are communicated• The Corporations Act 2001 and the Australian Securities and Investments Commission Act 2001

Notes: Information from various sources used to source examples see references 4, 5, 6,7 and 8.

Why is this important?

The two main risks associated with greenwashing are:

- 1) The ***potential for severe fines and penalties*** from regulatory authorities and
- 2) The ***potential loss of brand trust and reputation.***



10%

of global turnover (UK)⁹

4%

of turnover in EU Member States (proposed EU)¹⁰

88%

of sustainability professionals agreed that preparing for policy and legislation were the main driver for action on nature¹¹



How we can support companies

We support companies by

- Reviewing claims to:
 - ensure they are backed by evidence,
 - check claim methods, underpinning data and calculations, reperforming calculations and checking assumptions to ensure they are robust,
 - check public communications to mitigate greenwashing risks.
- Assessing and evaluating the use of certifications.
- Helping companies communicate their impact.

In addition, we have access to a team of legal experts that we can call on to provide support for specific projects.

What can a claim review help achieve?

- An understanding of any implications of reputational or legal risks.
- An understanding whether current evidence supports claims, where this can be improved and any areas for concern.
- Identification of current data gaps, whether methods and their underpinning assumptions are robust and well communicated.
- Where relevant, provision of external statement verifying claims.



Testimonials

The following testimonials represent a selection of the feedback received from our clients while providing support relating to evidencing impact & peer reviewing green claims.



"Little Blue Research has helped us gain a clearer understanding of what is coming with TNFD, and evaluate our existing processes, supporting us with some tangible next steps across key parts of our organisation"

openreach

**Abby Chicken, Head of Sustainability,
Openreach**



Steph has been a pleasure to work with on the SROI project. She works naturally in a collaborative and communicative style but with clear direction and while she sticks to deadlines she has been able to be flexible when we've requested. We'd happily undertake further work with Steph in these areas.



THAW Orkney, Peter Rickard, Chairman



What does a review include?

Depending on the review scope the work can include:

- Internal interviews and document review focused on impact/sustainability measurements, methods used and supporting assumptions.
- Review of claim context in relation to the organisations overall approach to sustainability, targets and strategy.
- Data gaps analysis and re-performance of a selection of calculations.
- Recommended next steps, improvements and supporting statement as needed.

Things to consider

- What is being communicated internally/externally and its importance to the organisation.
- Time, budget and resources, reviews can be at a higher level or in depth depending on requirements and the need for a specific supporting statement.

What information will this need?

- Business operations/activities information, impact method and sustainability strategy, other relevant documents.
- Access to calculations, any documented processes, internal data or external data used for calculations.
- Access to relevant staff.

Delivery information

Timeframe and cost subject to:

- The number and type of claims under consideration, e.g., complexity, topic, type, etc.
- Level of available documentation/information/data.
- The need for public statements or review reports.
- Project timeline and urgency.



References

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11. Little Blue Research, (2024). White Paper: integrating nature into business decision-making. Available at: <https://www.littleblueresearch.com>
12. Photo by [Boxed Water Is Better](#) on [Unsplash](#)



LITTLE BLUE RESEARCH

Getting started

Little Blue Research can help business navigate the nature landscape, realise the risks and opportunities they may face, and consider their nature readiness.

Not sure where to start? Get in touch.



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