

# FLOURISH

The Truth Advantage

**HOW TO LEAD IN THE AGE OF GREENWASHING REGULATION**

Six shifts every brand must make to turn sustainability compliance into brand value

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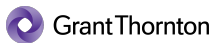
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RESEARCH AND SOURCES THAT HAVE INFORMED THIS INSIGHT



# Context

# Flourish – The Truth Marketing Platform

Your sustainability investments are genuine. But fear of saying the wrong thing is holding you back.

As regulations tighten and audience expectations rise, trust is harder to earn and easier to lose. Greenhushing can feel like the safer option, but in reality, it's a risk. In a world demanding clarity, proof, and speed, staying quiet means falling behind.

## BUT COMPLIANCE ISN'T A CONSTRAINT – IT'S A CREATIVE UNLOCK.

The same pressure that's causing brands to hesitate is creating space for those ready to lead with verified truth. When sustainability performance becomes marketing fuel, you set the standard. Building a brand that drives performance, earns trust, and stands out from the competition.

Flourish is the only enterprise-level solution built to transform your sustainability performance into audience-loved marketing — while protecting your brand from the reputational risks of greenwashing and the missed opportunity of greenhushing.

**Prevent risk. Accelerate compliance. Gain competitive advantage.**

## HERE'S HOW:

### CREATE

Unearth powerful marketing claims hidden in your sustainability data — and turn them into clear, compelling messages that meet legal standards and captivate your audience.

### OPTIMISE

Fine-tune verified claims to drive conversions — using behavioural science to boost engagement, shift behaviour, and win market share.

### VERIFY

Validate messaging, imagery, and iconography across jurisdictions — ensuring compliance now, and in 2026 and beyond.

**Flourish turns sustainability investments into strategic advantage.**

By connecting marketing, legal, and sustainability teams around a single source of truth, we help brands move faster, communicate with confidence, and build trust that lasts.

# Welcome from the CEO



**Maddy Cooper**  
Founder & CEO

Greenwashing laws are here.

By 2026, every environmental claim will need to be verified, evidenced, and legally watertight. For marketers, that's more than a shift in compliance — it's a new creative brief.

As the days of vague sustainability messaging end, a new standard of maturity is emerging. A standard built on substance. For forward-thinking leaders, this is a strategic unlock — a shift from surface-level claims to deep credibility, and from compliance pressure to performance power. And while this raises the bar, it also raises the pressure.

With tighter regulations and higher audience expectations, some brands are hesitating or going quiet altogether. And while silence might feel safe, it's risky because it's opportunity cost. By playing it safe, brand relevance and reputation take a blow.

Younger generations with increased spending power actively seek brands that lead with action. To earn their trust, you need to speak about your sustainability efforts clearly, confidently, and credibly. But, how?

## **The solution lies in your value chain.**

Once seen as an out-of-sight or back-end operational concern but heavily invested in over recent years, the supply chain is now the richest source of brand credibility and commercial edge. It becomes a launchpad for powerful, compliant, audience-loved

campaigns when combined with wider value-chain and systems thinking and unlocked with the right tools and collaborative ways of working.

While value chain data may not sound thrilling, this untapped vault holds the key to authentic, sustainable brand differentiation and the verified, compelling stories that build trust, loyalty, and return. In a marketing culture that values substance as much as style, this is a moment of opportunity for the brands bold enough to share their sustainability journey with confident transparency.

This is not about perfection. It's about progress, backed by proof. The brands that embrace this shift will gain competitive advantage and audience trust, while reducing boardroom-level risk and strengthening the case for further investment in sustainable innovation.

**It's time to turn brand truth into brand trust.**

“The risk of greenwashing  
necessitates communication  
rooted in value chain reality.”

SUSTAINABLE MARKETING 2030  
WFA



# Challenge & Opportunity

# Saying nothing is no longer safe

## GREENHUSHING (SILENCE)



"Brands failing to communicate authentic sustainability efforts risk losing out on an estimated \$1 trillion market opportunity by 2027"

**WORLD ECONOMIC FORUM, 2023**

## GREENWASHING (EXAGGERATION)



"UK authorities have the power to fine a tenth of businesses' global turnover if greenwashing is proven – around 50% of major brands are at risk."

**CORPORATEKNIGHTS, 2024**

# Executive summary

## Do these sound familiar?

- "The regulations keep changing, and we can't keep up."
- "We're worried about greenwashing."
- "We're scared of the fines coming our way."
- "We're struggling to stay relevant to younger, more conscious consumers."
- "We don't know how to turn sustainability into a real competitive advantage."
- "We're concerned about damaging our brand reputation and sparking backlash."
- "Our usual marketing approach is becoming illegal."

## YOU'RE NOT ALONE.

Consumers are demanding better, operational teams are demanding more, and regulators are tightening the rules. Trust is fragile, and greenwashing now carries reputational and financial consequences that can stretch into the billions.

Some brands are stalling, paralysed by uncertainty, worried about getting it wrong. But the ones who move forward with bold transparency, cross-functional collaboration, and smarter systems will gain a lasting edge.

## SO LET'S REFRAME IT:

- Greenwashing regulation isn't a hurdle. It's a strategic tool.
- Value chain data isn't dull. It's the source of compelling marketing.
- Compliance platforms aren't creativity killers. They're creativity enablers.

Marketing is being redefined. The brands that win will be those that adapt authentically, collaboratively, and fast.

**The good news is the solutions are already within reach.**

With the right strategy, mindset, and tools, you can turn pressure into potential and build the brands of the future.

**This paper outlines the six essential shifts brands must make to move from risk to leadership and turn sustainability performance into compelling, compliant messaging.**

# From risk management to brand leadership:

Six strategic shifts for modern CMOs

1

## **UNLOCK THE POWER OF YOUR VALUE CHAIN.**

Your value chain is a goldmine of brand value - the foundation for real differentiation in a world that rewards substance over spin.

2

## **USE TECH TO TURN COMPLIANCE INTO CREATIVITY.**

AI-driven platforms deliver real-time guidance, streamline collaboration, and accelerate decision-making, making greenwashing navigation faster, smarter, and more creative.

3

## **BREAK THE SILOS FOR TRANSFORMATIVE COLLABORATION.**

Marketing, legal, and sustainability divisions and teams can no longer work in silos - cross-functional collaboration is key.

4

## **FIX THE TRUST DEFICIT AND MOVE FROM BRAND RISK TO STRATEGIC ADVANTAGE.**

Trust is more than a brand asset - it's a currency of change. Leading with bold transparency earns loyalty, strengthens reputation, and creates lasting competitive edge.

5

## **AVOID A £1BN GREENWASHING MISTAKE.**

Greenwashing is now a direct and escalating threat to your bottom line and a boardroom-level risk, as well as to your brand. Compliance isn't optional - it's essential.

6

## **USE THE RULES AS TOOLS.**

The same regulations that feel daunting today are your guide to future-fit marketing and brand building. When used right, these rules act as strategic tools.

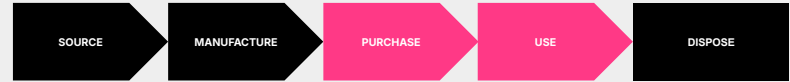
# How marketing's role is expanding across the value chain

Before we dive into the six essential shifts brands must make to move from risk to leadership, it's important to understand the changing interplay between marketing and sustainability. Marketing used to focus on purchase and persuasion. Now its intention and impact must stretch across the entire value chain - from sourcing to end-of-life - driving sustainable outcomes. This shift underpins everything that follows in this paper.

## FROM

**Marketing's scope is centred on purchase and use, within a linear value chain.**

**FOR EXAMPLE:** A soft drinks company focused on trying to align to societal issues to create brand desire to sell as many units as possible, without consideration of the claims being made or the supply-side and demand-side impacts to people or planet.



<https://wfanet.org/leadership/planet-pledge/sustainability-2030/about>

<https://www.cisl.cam.ac.uk/education/graduate-study/pgcerts/value-chain-defs>

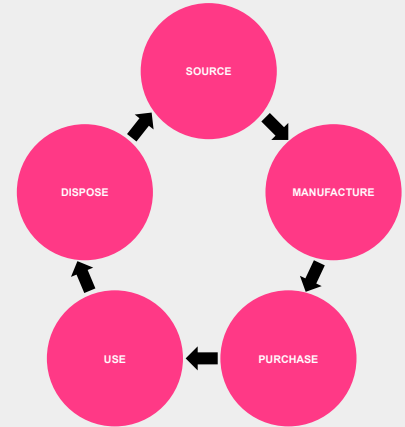
## TO

**Marketing's scope and impact extends beyond purchase and use, in line with circular principles.**

**FOR EXAMPLE:** A chocolate brand focused on bringing to life the reality of the value chain via bold product marketing, truthful storytelling, and radical transparency, supporting positive change on both the supply and demand side.

**Definition:** Supply chain: the system and resources required to move a product or service from supplier to customer. Value chain: the full range of activities which are required to bring a product or service from conception, through the different phases of production, delivery to final consumers, and final disposal after use.

Source: Cambridge Institute for Sustainability Leadership



# Which path to choose?

As regulation tightens and expectations rise, every brand faces a choice. Stick with business-as-usual, and risk greenwashing, mistrust, and missed opportunity. Or evolve and embrace value chain truth, adopt smarter tools, and build marketing that earns trust and drives performance.

MARKETING IN THE AGE OF GREENWASHING REGULATION		
Decision point: Do we adapt how we create sustainability marketing?		
OLD WAY: BUSINESS-AS-USUAL (HIGH RISK, LOW REWARD)		NEW WAY: NEW BEST PRACTICE (LOW RISK, HIGH REWARD)
Continue as before with minimal value chain insight	→	Deep dive into value chain data
Manual approval processes	→	Use AI-driven tools and platforms to assess claims against cross-border regulations
Frustrated, asynchronous and linear ways of working	→	Cross-functional processes and collaboration: marketing + legal + sustainability teams aligned
Cross-border regulation breaches	→	Confidence alignment in cross-border legislation
Fines, reputational damage, stock value damage	→	Increased brand value, Sustainability turned from a cost to a key value driver
Loss of brand trust	→	Gain consumer trust, competitive edge, and brand authenticity
Boardroom and shareholder concern	→	Board and shareholders confident in risk mitigation strategies
<b>CONCLUSION:</b> The route to avoiding greenwashing lies in understanding and leveraging your value chain data, accessing technology that can fast-track your success, and enabling transformative collaboration across divisions and teams.		

1

# Trust Marketing: Unlock the power of your value chain

# Unlock the power of your value chain

## The most underused asset in your brand repository

The value chain has long been seen as an operational concern. Something hidden behind the scenes, not built into brand strategy. But in today's regulatory and reputational landscape, that's no longer an option.

The truth is: your value chain is your greatest marketing asset.

It's where your sustainability work becomes visible. Where proof replaces platitudes. And where you gain the confidence to communicate boldly, because you finally have the data to back you.

## FROM BACKEND TO BRAND DIFFERENTIATOR

**Marketing teams have traditionally focused on what happens at point of purchase. But future-fit brands are widening their scope; looking upstream and downstream to understand the full lifecycle of their product or service.**

This shift transforms marketing's role from surface-level storytelling to something more powerful: truth.

**"Marketers are well positioned to play a pivotal role in unleashing value across the value chain"**

### World Federation of Advertisers

When marketers connect with the depth of their organisation's value chain, they unlock trust, relevance, and commercial resilience while reducing greenwashing risk.

## MARKETING THAT'S GROUNDED, NOT GUARDED

Brands paralysed by the fear of saying the wrong thing often stay silent. But that silence comes at a cost of missed connection, lost audience loyalty and stalling sustainability progress.

**"[Greenhushing also] undermines capacity for internal transformation. Public declarations of environmental commitment serve not merely as external signals, but as catalysts for internal change, reinforcing the company's dedication to sustainability initiatives."**

Joshua Hilton, Wayne State University



Marketing grounded in verified, value chain data flips that dynamic. It creates freedom, not fear. Clarity, instead of confusion. Action, over avoidance.

THE THREE FREEDOMS OF TRANSPARENT MARKETING

When end-to-end data becomes part of your creative toolkit, as the Anti-Greenwash Charter puts it, you unlock:

- **Freedom to communicate without fear**  
Clear frameworks and verification tools provide confidence.
- **Freedom from regulatory anxiety**  
Proactive disclosure keeps you ahead of the rules.
- **Freedom to be honest about imperfection**  
Audiences don't expect perfection. They expect proof.

This creates the ability to say:

“Here’s what we’re doing well. Here’s where we’re working to improve. And here’s how we hold ourselves accountable.”

That’s the tone of future-fit marketing.

WHAT THIS LOOKS LIKE IN PRACTICE

60% of marketers don't feel proud of their sustainable storytelling. We have the opportunity to change that when value chain truth enters the creative process.

Let's look at some relatable examples of how claims can be transformed into credible, compliance-ready claims. Each example below illustrates an opportunity for marketing teams to connect with deep data and cross-functional teams to unearth the kind of detail that earns trust and avoids greenwashing.

FROM “RECYCLED” TO RESPONSIBLY TRACED		Original
claim: “Recycled packaging”		
▲ Sounds good — but lacks the specificity required.		
IMPROVED VERSIONS:		
“This product is 70% recyclable, with ongoing efforts to address non-recyclable components by 2027.”		“Outer box made from 100% cardboard recycled from consumer waste, sourced within 150km of the packing site to reduce transport emissions.”
Why it works: It’s clear, specific, and unambiguous about the claim.		Why it works: Plain language, adds local sourcing and transport detail, rooted in value chain logisticS

FROM “CARBON NEUTRAL” TO CONTEXT AND CREDIBILITY

Original claim: “Carbon neutral”

▲ Cannot be claimed if reliant on carbon offsetting.

IMPROVED VERSIONS:

“Net emissions of 2.4kg CO<sub>2</sub> per unit, offset via verified reforestation projects in Chile. Full emissions breakdowns are available on our website.”

**Why it works:** Breaks down what’s being offset, adds location and traceability.

“Manufactured in a facility powered by 86% renewable energy, reducing annual CO<sub>2</sub> output by 14 tonnes since 2021.”

**Why it works:** Gives a verifiable snapshot of emissions reduction, and a timeline.

FROM “ETHICAL” TO EVIDENCED

Original claim: “Ethically made”

▲ Too vague. Whose ethics? What standards?

IMPROVED VERSIONS:

“Produced in a factory where 98% of workers earn a living wage and have access to healthcare and paid leave.”

**Why it works:** Focuses on measurable outcomes for people — not just good intentions.

“Independent inspections in 2024 showed that all our main suppliers followed all the rules for fair treatment of workers.”

**Why it works:** Backed by audit data and time-bound for credibility.

FROM “LOW-IMPACT DELIVERY” TO OPERATIONAL TRANSPARENCY

Original claim: “Carbon neutral shipping”

▲ Often misunderstood and now a risky statement, especially if relying on offsets alone. Doesn’t refer to whether this includes the production impact of the ship itself. Must be backed by transparent data.

IMPROVED VERSIONS:

“We track and offset shipping emissions for all EU orders using certified Gold Standard carbon reduction projects.”

**Why it works:** Plain English explanation of what is offset. References methodology and verification body.

“We prioritise using rail transport to ship our products, balancing any emissions incurred through verified carbon removal projects.”

**Why it works:** Leans into logistics choices backed by verified projects.

FROM VAGUE TO VERIFIED

Original claim: “Eco-friendly materials”

▲ Vague claims like this are being banned. They are generic and unprovable without context.

IMPROVED VERSIONS:

“Our cotton now uses 40% less water to grow compared to our 2023 range, as verified by our annual crop-cycle audit.”

**Why it works:** Gives real data, sourcing logic, and compares to a specific time.

“Designed for disassembly, with three core materials that can be separated by hand and returned via our mail-back scheme. Simply request your free mail-back package on our website.”

**Why it works:** Written in plain English, with consumer costs stated and clear direction given of where to access.

# The mindset shift that matters

As we enter the next age of marketing and sustainability claims, we all need to adopt a new way of thinking.

FROM	TO
Misleading, vague, or generalised sustainability claims that lack proof	Transparent, verifiable claims rooted in data and value chain reality
A defensive silence in fear of greenwashing (aka: greenhushing)	Clear, accountable, and compliant communication without fear of backlash
Vague and non-specific claims that are disconnected from real action	Holistic storytelling built on value chain insight

By embracing the whole brand and product lifecycle, marketing becomes the bridge between internal impact and external credibility.

When marketing connects to that reality, it becomes a force for trust, transformation, and lasting leadership.

2

# Use tech to turn compliance into creativity

# Use tech to turn compliance into creativity

After years of digital transformation, marketing faces its next big shift: the sustainability transformation. It comes at a time when technology is evolving faster than ever, offering new ways to turn compliance into a creative edge.

We're only beginning to explore how AI, blockchain, and Internet of Things could support a system-wide shift toward sustainable outcomes.

**But one thing is clear: when it comes to greenwashing, technology has a critical and urgent role to play - not just in managing risk, but in unlocking opportunity.**

## HOW TECHNOLOGY WILL HELP

### BLOCKCHAIN: VERIFYING WHAT'S REAL

Blockchain technology already helps brands track ingredients and materials across supply chains — creating secure and transparent audit trails that back up sustainability claims.

It's especially powerful for **substantiating and verifying claims** and ensuring end-to-end accountability. This is a game-changer in meeting regulatory standards and earning consumer trust.

**Example:** CarbonCloud uses blockchain to track and verify carbon emissions and manage offset transactions. Companies like Unilever, Dole, and Oatly rely on it to calculate, communicate, and report product-level emissions.

### AI: FROM OVERWHELM TO ACTION

For marketers facing fast-moving regulation, limited internal capacity, and rising stakeholder expectations, **AI is a vital strategic partner.**

AI can:

- Enhance traceability across value chains.
- Identify opportunities for marketing in supply and demand-side data.
- Assess sustainability claims against regulations, reducing risk of unintended greenwashing.
- Flag risks in real-time, before campaigns are launched.
- Enable legal, sustainability, and marketing teams to work from the same platform and datasets.
- Suggest compliant creative and language, tailored to regional markets and regulations.

**Example:** Flourish's AI engine analyses sustainability data through the lens of greenwashing legislation and regulation. It highlights compliant messaging opportunities and checks visuals and copy for regulatory alignment, supporting confident creativity at speed.

### FROM LEGAL BOTTLENECK TO BRAND DIFFERENTIATOR

AI has already reshaped personalisation and performance. Now, it's radically transforming how we manage sustainability compliance in marketing. A third of marketing teams are already integrating AI, with another 43% testing it. The appetite for mar-tech innovation is huge.

## FROM LEGAL BOTTLENECK TO BRAND DIFFERENTIATOR

But how can this help us in the context of greenwashing?

- AI-driven mar-tech solutions can:
- Flag risky claims before they reach the public
- Check compliance automatically across markets and formats
- Shorten approval cycles and reduce legal back-and-forth
- Turn supply chain data into campaign-ready messaging
- Align teams with a shared compliance-ready platform
- Suggest compliant language tailored to local regulations
- Translate regulation into clear, creative guardrails
- Spot gaps in claims or required proof early
- Enable fast, confident localisation across global markets
- Provide audit trails for every approved message

### Key insight

Coders use rules to power innovation. We can do the same with sustainability marketing.

By translating regulation into smart rules and AI logic, platforms like Flourish unlock:

- Real-time, actionable guidance
- Faster, smarter collaboration
- Creative freedom rooted in compliance
- Campaigns that are bold, trusted, and legally sound

## CHALLENGES WE MUST ACKNOWLEDGE

Of course, this isn't a silver bullet. Responsible AI means acknowledging the challenges too:

- **Resource intensity:** AI requires large-scale energy, water, and rare materials. We should be careful to ensure our use of AI has a positive impact and a positive return on resources whenever possible.
- **Risk of misuse:** If unchecked, AI can amplify misinformation, bias, or generate misleading content.

**But these are reasons to innovate responsibly, not to retreat. With the right governance, technology can help us scale good intentions, protect reputation, and avoid regulatory risk.**

## FROM "GOOD INTENTIONS" TO SMART, TRACKABLE CLAIMS:

As AI and automation tools evolve, many brands are now embedding compliance directly into their creative workflows. One emerging best practice is to give people a way to verify claims themselves.

**E.G. "Every product we sell now includes a QR code linking to full emissions and supplier data — because sustainability shouldn't be a mystery."**

**That's the future:** not just saying you're sustainable, but proving it — and showing your work.

# HOW AI TRANSFORMS GREEN CLAIMS

FROM:	TO:
Confusion about what can and can't be said	Clarity and confidence in what you can say
Uncertainty and errors	Verified, specific claims that build trust
Holding back sustainable messaging	Unlocking engagement and impact while transitioning
Teams working in silos	Shared tools that align marketing, legal, and sustainability
Greenhushing due to fear of missteps	Confident marketing grounded in real data
Manual, time-consuming compliance checks	Instant, automated reviews across teams and channels
Campaigns delayed by legal bottlenecks	Faster go-to-market with built-in compliance support
Unclear sustainability claim ownership	Clear accountability and aligned team roles
One-size-fits-all global messaging	Tailored messages matched to audience and channel
Short-term risk avoidance	Long-term brand trust and leadership in sustainability
Communication breakdown between departments	A common language for active collaboration
Reactive responses to regulation	Proactive planning with always-on regulatory updates

“AI can enable radically faster decision making, bringing together different divisions and teams, and supercharging the change we need.

Sustainability teams can turn their investments into marketing messages, marketers can leverage sustainability data and navigate greenwashing laws, and lawyers can understand and support marketing intentions and goals.

If you haven't got AI to enable that, it's an overwhelming and risky beast.”

MADDY COOPER, CEO  
FLOURISH



3

# Break the silos for transformative collaboration

# Break the silos for transformative collaboration

Traditionally, marketing, sustainability, and legal teams have worked in silos. They use different systems, chase different goals, and speak different languages. That fragmentation slows innovation and makes it harder to earn trust, reduce risk, or realise the full value of sustainability efforts.

**In today's regulatory environment, working in silos is no longer a back-office problem. It's a barrier to brand success.**

**30%** of marketers say siloed sustainability efforts block transformation, and the consequences are everything from slower campaigns to missed compliance.

The brands that win will be the ones that build cross-functional alignment from day one. And leading that shift are CMOs, shaping not just campaigns but also how teams work together.

CMOs who master collaboration don't simply drive performance. They also stay in role 48% longer and are more likely to protect budgets in downturns.

## FROM FRICTION TO FLOW

So, what does great collaboration look like? It starts with marketing, legal, and sustainability teams co-creating from day one, shaping what is said, how it's said, and what backs it up.

This transforms the role of the marketer from storyteller to translator. Turning complex data into confident, compliant campaigns that resonate with your audience.

But that shift takes effort. it requires:

- New workflows and shared systems
- Clearer ownership of sustainability claims and approvals
- Common language and toolkits for faster decisions
- Ongoing dialogue across departments and disciplines

That is why forward-looking brands are embedding AI-powered collaboration platforms. Giving their teams a shared system to turn sustainability data into marketing that works.

These platforms help:

- Sustainability teams turn data into marketing-ready proof points
- Marketers test messages against regulations before launch
- Legal teams guide messaging at speed without becoming a bottleneck
- Global teams localise confidently with built-in compliance intelligence

“It takes a village. It’s not just one function, one individual, or one technology. It’s the sum of them all that is going to make this happen.

The biggest win that we can have is real clarity around the end goal, determination to get there, and a powerful orchestration organisationally.”

CRISTINA DIEZHANDINO, GLOBAL CHIEF MARKETING OFFICER  
DIAGEO

“CMOs who master collaboration don’t simply drive performance. They also stay in role 48% longer and are more likely to protect budgets in downturns.”

MCKINSEY, 2023

#### THE NEW COLLABORATIVE MODEL

FROM	TO
Sustainability writes reports, marketing writes stories	Teams co-create stories from shared value chain data
Legal reviews at the end	Legal collaborates from the beginning
Compliance causes campaign delays	Compliance is embedded in creative flow
Global teams adapt messaging ad hoc	Global teams use tools that localise in real time
Campaigns are adjusted after risk	Risk is flagged and addressed up front

4

Fix the trust deficit and  
move from brand risk to  
strategic advantage

# Fix the trust deficit and move from brand risk to strategic advantage

Trust isn't just a brand asset – it's a currency of change. And right now, it's in short supply. Brands are navigating rising scrutiny, legal risk, and the paralysis of greenhushing, all rooted in a deep credibility crisis. But this isn't simply a risk to manage. It's a leadership opportunity. The brands that act with bold transparency now will rebuild trust and outperform their competitors.

## YOUR AUDIENCE IS HUNGRY FOR TRUTH AND TIRED OF SPIN

Trust in governments, media, and businesses is declining globally. Misinformation is widespread and people are increasingly sceptical of brand claims, particularly around sustainability.

- 61% of people believe business leaders exaggerate or lie
- 1 in 3 don't trust brands to follow through on sustainability promises
- And nearly 70% of UK consumers over 16 say they distrust advertising altogether

This matters.

**Because trust drives everything: employee morale, stakeholder relationships, customer loyalty, and market resilience. When it's broken, it's not just your marketing and comms teams that feel it. It's your balance sheet too.**

## WHAT GREENWASHING DAMAGES, TRANSPARENCY CAN REPAIR

Greenwashing erodes brand credibility and feeds confusion, division, and disengagement throughout the system. But what if we flipped the script? When trust is nurtured, it builds social cohesion, accelerates innovation, and lays the groundwork for credible sustainability leadership. **The antidote to scepticism isn't silence. It's clear, consistent, evidence-based marketing and communication.**

### Transparent marketing:

- Uses **value chain data** as the foundation for marketing
- Shows **progress over perfection**
- Is brave enough to say: **"Here's what we've done. Here's what still needs work."**

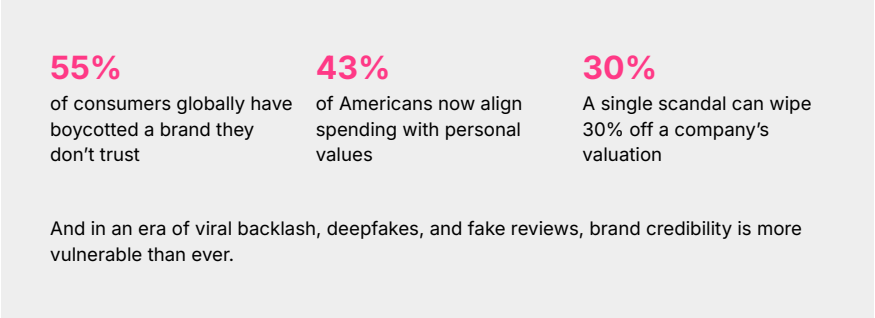
Brands that do this will win deeper trust and stronger performance.

“The transparent, truthful, and evidenced communication we need at this time of great change would help move society collectively towards sustainable ends in shared understanding, trust, and action.”

CHARLIE THOMPSON, ASSOCIATE DIRECTOR  
CISL & FLOURISH

REAL RISKS, REAL COSTS

Let's be clear: the consequences of a trust crisis are real and growing:



THE MARKETER'S MANIFESTO

As sustainability claims become more regulated and more scrutinised, the opportunity for marketers is clear: be the function that leads with courage, credibility, and coherence.

- Don't greenwash (even unintentionally)
- Don't greenhush (it's a missed opportunity)
- Build trust with verified truth
- Share progress with pride
- Own what you're working to improve

The brands that thrive will see this as more than risk management.

Audience trust is a business advantage and transparency is a competitive strategy.



5

# Avoid a £1bn greenwashing mistake

# Avoid a £1bn greenwashing mistake

Greenwashing is no longer just a reputational risk. It's a financial one.

Fines are growing. Legal action is increasing. Investor scrutiny is tightening. And reputational damage can wipe billions off your company's market value overnight. For CMOs and brand leaders, this is more than a niche compliance issue. It's a boardroom-level financial risk, where the cost of getting it wrong is only going in one direction: up.

## THE COST OF GETTING IT WRONG

We've entered a new era of enforcement, where sustainability claims are no longer judged solely in the court of public opinion but in actual courtrooms.

Big brands have paid big money for greenwashing mistakes:

BRAND	FINES/ PENALTIES	WHY
Eni	+\$5 million	For falsely advertising biofuel diesel as "green"
Kohl's & Walmart	+\$5 million	For falsely marketing products as being made from bamboo
Keurig	+\$2 million	For making misleading claims about single-use coffee pods
H&M & Decathlon	+\$400k and \$500k	For unsubstantiated eco-claims on product packaging

These examples illustrate some of the largest fines we've seen.

**Figures could rise rapidly in the near future with new enforcement now threatening 4% to 10% of a company's global turnover.**

BUT THE REAL RISK IS REPUTATION

Fines can be calculated. Reputational damage can't.

While it's harder to measure, it's undeniably massive. Grant Thornton found that FTSE 100 companies can lose up to £1.15 billion in market value after a single regulatory announcement about a company's wrongdoings:

- One fine cost a company 0.045% of its market cap
- The reputational fallout was a whopping 5.43% drop in share price

That's the multiplier effect of public trust erosion.

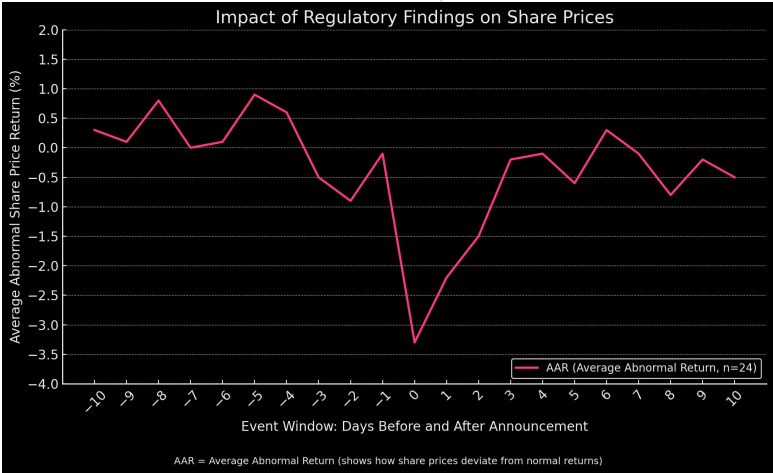
**Reputation matters more than ever:**

- **Corporate reputation accounts for nearly half** of FTSE 100 valuation
- 63% of global execs say reputation is **crucial to market value**
- 93% agree that **trust directly boosts the bottom line**

Yet, most marketers and boards still vastly underestimate how fragile that trust is in the age of sustainability scrutiny.

“It takes 20 years to build a reputation and five minutes to ruin it”

WARREN BUFFETT



Source: Grant Thornton calculations, using data from Yahoo! Finance and Financial Services Authority archives

# Navigating risk vs. reward

Brand and marketing leaders must balance authenticity, ambition, and accountability to navigate the risks and seize the opportunities.

	HIGH REWARD	LOW REWARD
LOW RISK	<b>THE SWEET SPOT</b> Authentic, verified claims rooted in value chain reality. Builds brand equity, earns trust, and drives long-term value and competitive advantage.	<b>THE SILENT BYSTANDER</b> Brands playing it overly safe. Minimal risk, but they miss out on capturing engagement, differentiation, and value.
HIGH RISK	<b>THE GREENWASHING TRAP</b> Claims that are bold and attention-grabbing but are vague, misleading, or poorly substantiated have no real upside. Even if they capture some short-term sales, the long-term financial and reputational risk is huge. Playing in this space erodes trust, invites scrutiny, and backfires without any meaningful gain.	

# 6 Use the rules as tools

# Use the rules as tools

**REGULATORY RISK ISN'T COMING. IT'S ALREADY HERE. IT'S OPERATIONAL. IT'S COMMERCIAL. AND IT'S ACCELERATING.**

Regulations are catching up with the pace and pressure that the climate and biodiversity crises need. As global greenwashing legislation and regulation tighten and regulatory power grows, marketers must evolve.

This is not a constraint. It's an opportunity. With the right mindset (and the right tools), these rules can sharpen creativity, accelerate collaboration, and build long-term brand trust.

## THE LEGAL LANDSCAPE IS CHANGING

Here's how two of the world's most advanced regulatory markets, the UK and EU, are redefining what sustainability marketing must look like.

**NB** - Other regions — including the US, China, and Australia — are following, but at varied speeds and levels of enforcement.

## UK: GREEN CLAIMS CODE (GCC) + DMCC ACT (FROM 2025)

FROM	TO
Misleading sustainability claims going largely unpunished	Companies and individuals held accountable for false, misleading, or unsubstantiated claims
Enforcement that has relied primarily on ad bans by the Advertising Standards Authority (ASA)	Multi-pronged legal enforcement across digital markets and consumer law
Inconsistent communication of sustainability transformation and impact	Standardised expectations under the Green Claims Code (GCC) guiding the communication and marketing of sustainability claims, transformation, and impact
Limited enforcement powers of the Competition Markets Authority (CMA)	New powers for the CMA to issue civil fines under the Digital Markets, Competition and Consumer (DMCC) Act
Focus on securing cooperation and commitments from companies to improve sustainability claims	Legally enforceable obligations with financial penalties of up to 10% of global turnover or £300,000
Greenwashing as a reputational risk only	Greenwashing as a legal and financial risk, with increased reputational risk
Green claims lacking full lifecycle evidence	Requirement to substantiate claims with clear, accurate, and complete product lifecycle information
Greenwashing risk managed at the marketing level	Greenwashing risk escalated as a boardroom-level compliance priority

## EU: GREEN CLAIMS DIRECTIVE (GCD) (IN PROPOSAL PHASE. FULL ENFORCEMENT BY SEP 2026)

FROM	TO
Vague and unsubstantiated green claims like “eco-friendly” or “climate neutral”	No vague language — evidence-backed, clear, and verifiable sustainability claims
Companies self-declaring sustainability credentials	Independent third-party verification of all sustainability claims
Minimal consequences for misleading claims	Fines of at least 4% of annual turnover, revenue confiscation, and exclusion from public funding and procurement
Marketing separated from value chain realities	Marketing grounded in verified value chain and product lifecycle data
Competitive advantage based on bold claims	Competitive advantage based on value chain reality and transparency, accountability, and credibility
Environmental claims focused on single attributes	Full lifecycle impact required to support claims
Hidden or inaccessible evidence behind claims	Public access to supporting data via QR codes, links, or similar methods
Loose use of carbon offsetting to support “climate neutral” messages	TBC - Terms like “climate neutral” and “climate positive” banned regardless of offset data
Inconsistent standards across Member States	Harmonised legislation across the EU under the Green Claims Directive
Greenwashing as a reputational issue	Greenwashing as a legal, financial, and operational risk — with increased reputational risk

REGIONAL DIFFERENCES AT A GLANCE

REGION	FRAMEWORK	REGULATOR(S)	SCOPE OF CLAIMS COVERED	FINES AND ENFORCEMENT POWER	THIRD-PARTY VERIFICATION	FULL LIFECYCLE CONSIDERATION	CLARITY ON OFFSET CLAIMS	STATUS
EU	GCD + DPP	EU Commission	All voluntary environmental claims and product-level data	≥4% annual turnover, public funding exclusion, confiscation of revenue	Required	Mandatory	Offset-related terms like “climate neutral” banned by 2026	Full enforcement by Sept 2026
UK	GCC + DMCC Act	CMA	All environmental consumer-facing claims	Up to 10% of global turnover or £300,000 (from 2025)	Not mandatory	Encouraged, not always enforced	Must be clear, but not banned	Enforcement from 2025

IN A GLOBAL MARKETPLACE, WHAT HAPPENS IN ONE PART OF THE WORLD IMPACTS ANOTHER.

We must pay more attention than ever as we work between markets.

Regulations aren’t just rules to follow. They’re tools to build with — for better marketing, stronger cross-functional alignment, and a more credible, resilient brand.

Like the paths on a map, they don’t limit where you go. They show you how to get there.

TO SUMMARISE:

**EU:** Leading globally in terms of mandatory third-party verification and lifecycle standards.

**UK:** Stronger enforcement powers via DMCC, but verification is not yet required like in the EU.

LEGEND:

Strong regulatory requirement

Partial/limited requirement or guidance

Not required



**UK:**

**APRIL 2025:** Parts 3 and 4, Chapter 1 of the DMCC Act come into force, granting the CMA direct enforcement powers over consumer protection laws, including the ability to impose fines for breaches related to misleading environmental claims.

**SPRING 2026:** Further reforms, such as those addressing subscription contracts, are anticipated to commence.

**EU:**

**MARCH 2026:** Full EU GCD compliance required across all Member States. Companies must have full transparency over the product lifecycle, impact, and sustainability claims.

**SEPTEMBER 2026:** EU Member States must fully implement GCD enforcement, with regulatory bodies actively monitoring and levying fines on non-compliant businesses.

**2027 AND BEYOND**

- **ONGOING COMPLIANCE MONITORING (EU & UK):** Following full implementation in 2026, enforcement bodies (UK CMA and EU regulators) will ramp up investigations into misleading claims, regularly fining and penalising companies that do not comply.
- **FUTURE DEVELOPMENTS:** Expect additional regulations across the globe as other regions catch up with stricter greenwashing regulations similar to the EU and UK.

# Taking action

# Your green claims checklist

To keep your brand on the right side of regulation and consumer trust, build these habits into your sustainable marketing

## Key insight

- Your value chain holds the proof.
- AI-powered technology gives you rule-backed tools.
- And cross-functional strategy is how you make it happen.
- Together, they form the new foundation for brand trust, transformation, and competitive advantage that mitigates risk and seizes opportunity.

☐ **ACT WITH TRANSPARENCY**  
Be honest about where you are, not just where you're going.

☐ **DITCH VAGUE TERMS**  
No more "green," "eco," or "climate-friendly" without clear, verifiable meaning.

☐ **SOURCE YOUR STORIES FROM THE VALUE CHAIN**  
Authenticity starts with visibility and with real data.

☐ **SUBSTANTIATE CLAIMS WITH EVIDENCE**  
Use third-party certifications, lifecycle analysis, traceable metrics.

☐ **TRACK AND TRACE WHEREVER POSSIBLE**  
A transparent supply chain fuels credible, future-fit marketing.

☐ **DEMONSTRATE REAL RESULTS**  
Avoid relying on offsets alone. Show actual reductions and actions taken.

☐ **AVOID CHERRY-PICKING**  
Don't highlight a small win while ignoring larger impacts. Balance matters.

☐ **CHOOSE YOUR MEDIUM**  
Stating "70% recycled cardboard packaging" is fine in some channels but your efforts are contradicted when splashed on a billboard that creates waste.

☐ **RETHINK FUTURE PROMISES**  
No "net zero by 2050" unless you've got a plan and you can prove it.

☐ **BIG BUSINESS CLARITY**  
Understand company, category, brand, and product-level impact and data, and how and when you can use each.

☐ **ENSURE VISUALS ARE ACCURATE**  
Misleading imagery is as risky as misleading words.

☐ **STAY AHEAD OF SECTOR TRENDS**  
Know what's coming. Watch your industry. Learn from others' missteps.

☐ **KNOW WHEN TO ASK FOR HELP**  
Use experts and AI tools to stay confident, not cautious.

**The greenwashing era is ending.**

**The age of verified marketing has begun.**

**The marketers who embrace it will be the ones  
who lead.**

# About Flourish

Turn greenwashing risk into competitive advantage with Flourish

The Flourish Platform is an AI-powered tool designed to help marketing, sustainability, and legal teams create, review, and approve marketing messages. It ensures accuracy, speed, and efficiency when communicating sustainable claims. By backing claims with value chain data and insights, and providing a clear understanding of greenwashing regulation and risks, Flourish makes it possible to communicate authentically and effectively.

- Sustainability teams can translate their efforts into brand value.
- Marketers can launch campaigns without the fear of greenwashing.
- Legal teams can confidently enable campaigns to go to market.

The platform evaluates marketing and communication claims against the requirements set by greenwashing legislation and regulation. This means fewer mistakes, less exposure to risk, and greater confidence in the authenticity of your brand's message.

With end-to-end encryption, it is a centralised hub for marketing, sustainability, and legal teams, making global compliance simpler and faster.

**Prevent exposure. Simplify compliance. Win competitive advantage.**

# About the authors



## **CHARLIE THOMPSON**

**Associate Director, CISL & Flourish**

Charlie bridges academia and industry to accelerate the integration of sustainability into business at scale. As an Associate Director at the University of Cambridge Institute for Sustainability Leadership (CISL), she helps shape executive education programmes that equip senior leaders with the tools to drive systemic change.

At Flourish, Charlie brings a strategic systems-thinking lens to ensure our platform and thought leadership reflect the latest thinking in sustainable marketing. Her dual role ensures Flourish is aligned with global standards while staying grounded in commercial relevance.



## **MADDY COOPER**

**CEO & Founder**

Maddy has over 25 years' experience building agencies and campaigns for some of the world's most well-known brands. Her work bridges the worlds of brand, compliance and sustainability to empower organisations to communicate with clarity, confidence and integrity.

She is a certified graduate of the Cambridge Institute for Sustainability Leadership (CISL) Business Sustainability Management programme and serves as an assessor on the Sustainable Marketing, Media and Creative Programme. Maddy's leadership centres on enabling teams to be faster and braver with sustainable marketing, without compromising on credibility or creativity.

# FLOURISH

The Truth Advantage

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