GREENWASHED 2024 A look at corporate greenwashing and tips on how to spot it.



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INTRODUCTION

Many of us worry about how climate change and environmental degradation put current and future generations in danger. Yet several companies build their entire profit model on practices and materials that exploit and damage our environment and communities. That is why consumers around the world look to make environmentally friendly choices when deciding where to spend their money.

But to make these choices, we are often forced to rely on what companies tell us about their business and products through labels, marketing, and advertisements. As consumers, we may have a natural tendency to trust what companies claim. But too often, companies actively mislead the public or fail to disclose potential environmental dangers and health risks associated with their products and practices. And, unfortunately, these companies are often not alone. Elected officials, government agencies, trade associations, nonprofits, and many other powerful interests with wide audiences can help spread these misleading and deceptive messages. This deception is known as greenwashing, and it can lead to serious consequences.

Greenwashing Defined

"Greenwashing" is a comprehensive term used to encapsulate all the tactics used across various industries to deceive consumers or misrepresent the impact a practice or product has on the environment and public health. For the purposes of our work and this report, Just Zero defines "greenwashing" as:



green · washing | noun

Any deception or misrepresentation by an entity, such as a company, government, institution, or individual, to make a product, practice, technology, or policy appear environmentally friendly and safe for consumers when in fact, it is not.

Although consumers may hope that companies care about people and the planet, most remain loyal only to their profits. Large, for-profit corporations don't change out of the goodness of their hearts – they usually only make changes that are not driven by profit if they are required to by law.

To address greenwashing and protect people, countries around the world are developing consumer protection laws that regulate products and require corporate transparency. The <u>European Union</u>, for example, has restricted toxic chemicals used in everyday products like makeup, toothpaste and household cleaners. In fact, European nations have outlawed <u>more than 2,400 chemicals</u> in cosmetics alone.

Then there is the United States – where only <u>11 substances</u> have been banned or restricted in cosmetics. And the cosmetics industry is not an outlier. The U.S. lacks significant regulations of toxic chemicals across all industries. Sadly, companies use that to their advantage – choosing to expose Americans to harmful chemicals rather than invest money into redesigning their products. Because for them, it's all about profit.

To truly address greenwashing, we need laws that do more to protect the immediate and long-term safety of the public and our environment. Until then, entities across all industries will continue to take advantage of consumer trust through greenwashing tactics.

Greenwashing Tactics

Although "greenwashing" is widely used to describe any type of deception or misrepresentation around public health and environmental claims, this broad definition makes it difficult for consumers to recognize greenwashing when they see it.

Below, we have laid out five major tactics that entities across a wide range of industries regularly use to greenwash their products, practices, technologies, or policies to help you better understand greenwashing and how to spot it.



green · crowding | noun



The practice of avoiding accountability for environmental risks or damage by joining or "hiding" within a group of similarly positioned entities.



green · labeling | noun

The deceptive use of environmentally friendly labels, wording, and visuals to create a false sense of ecological responsibility.



green · lighting | noun

The selective amplification of supposed environmentally beneficial practices or projects to conceal activities that counteract those claimed benefits and cause harm to people and the planet.



green · rinsing | noun

The pattern of retreating, abandoning, or frequently changing environmental goals without achieving them.



green \cdot shifting | noun

The deflection of environmental responsibility onto others, typically consumers and the public.

2024 SPOTLIGHTS

In the spotlights to follow, we examine eight instances of greenwashing from 2024. Each example highlights:

industries involved

tactics used

red flags

Coca-Cola



Food and Beverage

Greenrinsing

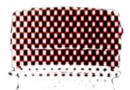


Retreats from sustainability goals without achieving them.

Replaces ambitious sustainability goals with weaker ones.

Relies on a process that has been proven ineffective. The Coca-Cola Company is the largest soft drink company in the U.S. This beverage giant produces and sells its goods in over 200 countries and territories around the world. But, just as its sweet, caramel-flavored beverage has made its mark on history, Coca-Cola has also solidified itself as one of the world's <u>top plastic polluters</u>. The company has made several promises over the years to reduce plastic; its most recent promises being to <u>decrease its use of virgin (i.e. new or non-recycled)</u> <u>plastic</u> by 3 million metric tons between 2020 and 2025, and serve 25% of total beverage volume in reusable packaging by 2030.

However, in an example of **greenrinsing**, <u>Coca-</u> <u>Cola pulled back</u> on these sustainability goals via a blog post published on December 2, 2024. This is <u>not the first time</u> Coca-Cola has been caught backsliding on its sustainability targets. Now, Coca-Cola's weaker goals are to utilize more recycled content in its production and support the collection of its used bottles and cans. But remember, <u>plastic recycling is a myth</u>, and to meaningfully address the plastic waste crisis, corporations must modify their packaging and move away from plastic production entirely.

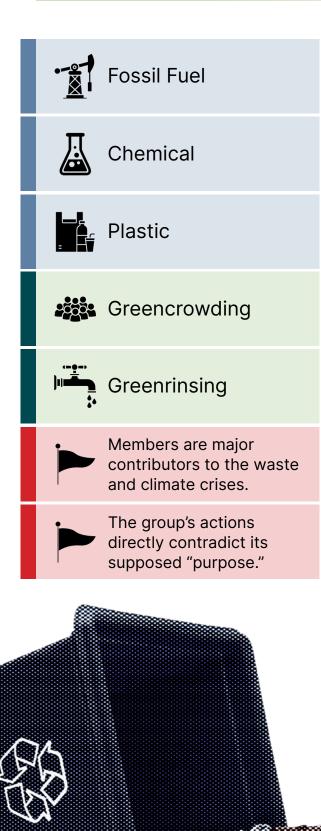








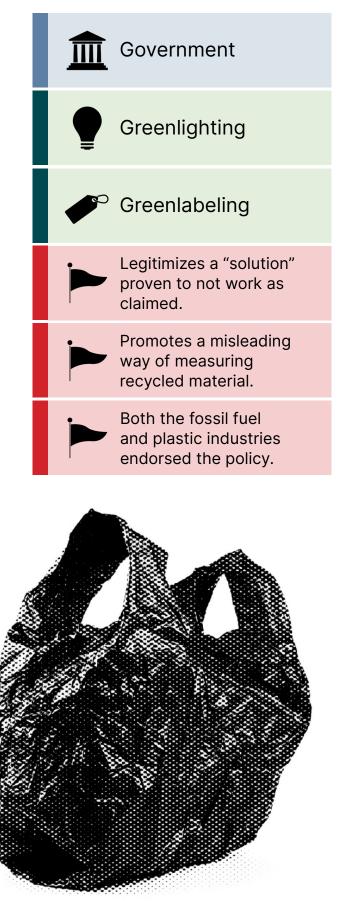
Global Partners for Plastic Circularity



The Global Partners for Plastic Circularity is an international trade group made up of plastics and chemical companies and associations. The group's goal is to scale up a "circular economy for plastics" a concept focused on increasing the collection and recycling of plastic to help make new products out of recycled materials. The problem? Most plastic isn't recyclable. And the types of plastic that can be recycled (typically resin codes 1, 2, and 5), don't have high recycling rates. Why? Because it is not cost effective. These companies know this. And they know that a "circular economy for plastics" is therefore not feasible. Instead, all this "solution" does is ensure Global Partners for Plastic Circularity members can continue to produce as much plastic as they want. These motivations are tinged with greenrinsing and greencrowding tactics.

This group represents fossil fuel giants like Saudi Aramco, Chevron, Shell, and ExxonMobil – all of which actively participate in international discussions concerning the regulation of plastic. For two years, the United Nations has been organizing negotiations for an international Plastic Pollution Treaty. The negotiations aim to create legally binding plastic production requirements. Yet, in 2024, negotiations collapsed in the face of opposition by major oil and gas producing countries and groups - including the Global Partnership for Plastic Circularity. Many of the fossil fuel companies that are part of this group lobbied against putting caps on plastic production. They also argued that the treaty should exclusively focus on recycling and other forms of waste management.

United States Congress



In 2024, a U.S. Representative introduced the "Accelerating a Circular Economy for Plastics and Recycling Act" in Congress. The bill calls for a 30% minimum recycled content rate in plastic packaging by 2030 nationwide. Although that seems like an admirable and environmentally protective goal, the legislation is actually an attempt to promote so-called advanced recycling, a toxic and climate-damaging process. Making this a clear case of greenlighting. While the bill taps into consumers' desire to reduce the production of new plastic, it does not have any provisions that would actually decrease America's reliance on plastic or its plastic waste. Fossil fuel and plastics trade and interest groups have endorsed the bill, which signals its misalignment with environmental and public health interests.



advanced \cdot recycling | noun

"Advanced recycling," "chemical recycling," and "molecular recycling," don't refer to one process or technology. These umbrella terms, invented by the fossil fuel industry, refer to several different technologies that use heat and/or solvents to break down plastics. The industry uses these made-up phrases because they sound less problematic than "incineration," "plastic-to-fuel," or "high-heat plastics disposal."

Much like the broader fossil fuel campaign to promote advanced recycling, this bill is an attempt to push a <u>false solution</u> designed to support the fossil fuel and plastics industries. If that weren't bad enough, the bill could empower **greenlabeling** practices by allowing non-recyclable products to carry misleading recycling claims through its use of "mass balance certification," which is an industry-created and <u>misleading</u> way of measuring recycled material.

Shein



Chinese fast fashion company Shein has grown rapidly in the past decade. The company's business model centers on mass producing and selling cheap, <u>synthetic clothing</u> – some of which contains <u>toxic</u> <u>substances</u>. Between 2022 and 2023, Shein's carbon dioxide (CO2) emissions <u>nearly doubled</u> – driven by its escalating use of virgin polyester (a plastic based textile) and oil – generating as much CO2 as <u>180</u> <u>coal-fired power plants</u>.

On July 10, 2024, Shein announced it would <u>invest</u> <u>250 million euros</u> (equivalent to around \$260 million) in the UK and EU to create a Circularity Fund to support textile recycling and small companies. But when compared against Shein's projected 2024 revenue of <u>\$50 billion</u>, this investment appears minimal. Shein's announcement is a classic **greenlighting** strategy – amplify minor sustainability initiatives while avoiding meaningful reforms to business practices. Shein's Circularity Fund also comes on the heels of <u>mounting scandals</u> and <u>increased scrutiny</u> facing the company.



Exxonlobil



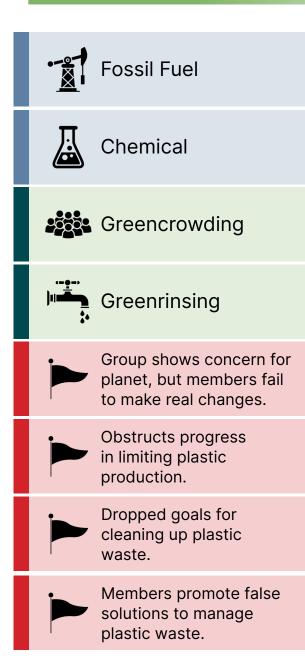
ExxonMobil is a major American fossil fuel company that participates in virtually all levels of the oil and gas supply chain – from sourcing through final sale. It also has a chemicals division that produces petrochemical products – including plastic. Unsurprisingly, ExxonMobil's greenhouse gas emissions are among the highest of any company since 1988. Yet, this company frequently deflects environmental responsibility. In fact, in an outrageous example of **greenshifting** in early 2024, <u>Exxon's</u> <u>CEO argued</u> that the public was responsible for the climate crisis.

In September 2024, California's Attorney General and several environmental groups <u>sued ExxonMobil</u> for its **greenlabeling** and **greenlighting** practices. The lawsuit alleges that ExxonMobil engages in deceptive marketing by labeling its plastic products as recyclable – <u>though most plastic is not recyclable</u> – and promoting the false solution of "advanced recycling." In response to the lawsuit, Exxon has argued that the blame for California's plastic pollution crisis doesn't rest with the company that has profited off producing so much unrecyclable and toxic singleuse plastic, <u>but with California officials</u>.

ExxonMobil went further by countering with a <u>defamation suit</u>, claiming that the Attorney General and environmental groups were conducting a smear campaign against the company for "political gain" and "Foreign Interests." Meanwhile, ExxonMobil has applied for tax subsidies to <u>build a plastics</u> <u>manufacturing plant</u> in Texas.



The Alliance to End Plastic Waste



The <u>Alliance to End Plastic Waste</u> was launched in 2019 by oil and chemical trade groups spearheaded by the American Chemistry Council (ACC). The group's mission is to create a "circular economy for plastic" – sound familiar? (See the second spotlight). However, when looking at the actions this organization takes, it appears that the Alliance is much more focused on protecting profits than on sustainability goals.

At its founding, the Alliance <u>pledged</u> to invest \$1.5 billion in clean-up initiatives and remove 15 million tons of waste from the environment by the end of 2023. But, in a classic example of **greenrinsing**, it eventually <u>dropped this goal</u>. Worse, a 2024 Greenpeace Unearthed investigation found that the five major oil and chemical companies on its executive committee – Shell, ExxonMobil, TotalEnergies, ChevronPhillips and Dow – <u>produced</u> <u>over 1,000 times</u> more plastic than the Alliance actually cleaned up over the same period of time. Like the Global Partnership for Plastic Circularity, the Alliance and <u>its members</u> also pushed back on plastic production limits in the 2024 negotiations for an international plastics treaty.

The Alliance also <u>added Brightmark</u> to its members in 2024. <u>Brightmark Energy</u> is a company that promotes advanced recycling as a method of plastic recycling and operates an advanced recycling facility in Indiana. However, their facility <u>does not recycle</u> any plastic waste into new plastic.

In fact, when they attempted to open a new facility in Georgia, they had to <u>abandon the project</u> when they could not prove their Indiana facility successfully delivered a recycled end-product to a customer. As another testament to why advanced recycling does not work, Brightmark recently had to <u>file for bankruptcy</u> for its Indiana facility.

Members of groups like the Alliance use **greencrowding** to give the impression that the companies involved care about their environmental impact when really, it's a façade, as all the member companies continue harmful production practices.

Walmart and Reynolds Consumer Products



Although you may be well acquainted with Walmart, a retailer and department store chain, you may be less familiar with Reynolds Consumer Products, an American manufacturer of household goods. But we would bet that you have heard of some of their products – like <u>Hefty Recycling bags</u> – which are sold at Walmart.

Hefty Recycling bags are marketed as a product that customers use to dispose their recyclable materials for recycling collection. However, these bags are made of plastic, just like your regular trash bag. Single-use plastic bags are neither suitable for curbside recycling nor effectively processed <u>through</u> <u>store collection programs</u>, yet Reynolds Consumer Products continues to manufacture Hefty Recycling bags and Walmart continues to sell them.

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The marketing of these bags as "recycling bags" represents an example of **greenlabeling**, and even led to Minnesota's Attorney General filing a lawsuit that claimed both companies were committing consumer fraud and deception. The suit also noted that these non-recyclable bags contaminate legitimately recyclable materials.

In August 2024, <u>the parties reached a settlement</u>, agreeing to ban the sale of Hefty Recycling bags in Minnesota for 2.5 years. After that time, the bags may only be sold in Minnesota with non-recyclable labeling. This directly demonstrates how laws and legal action can lead to protecting consumers from greenwashing.

Scotts Miracle-Gro Company

Lawn and Garden

Greenlabeling



Labels and ads use environmental terms, but fails to back up claims.

Products use colors and images that imply they are "green" and "safe."

Does not disclose that products contain toxic chemicals, like PFAS. American manufacturer, Scotts Miracle-Gro, is well known for selling lawncare, garden, and pest control products around the globe. Although Miracle-Gro products have often been met with apprehension from regenerative and organic growers over the impact <u>on soil health</u>, the company's <u>EcoScraps</u> <u>Slow-Release Fertilizer</u> is drawing particular scrutiny.

In a <u>lawsuit</u> filed in October 2024 by Beyond Pesticides, the non-profit alleges that EcoScraps Fertilizer – despite its eco-friendly marketing and label – is made with PFAS contaminated sewage sludge. PFAS (also known as "forever chemicals") pose a <u>significant risk</u> to both human health and the environment. Some known risks to human health include immune system disfunction and cancer. This case illustrates how **greenlabeling** can directly endanger public health.



sewage • sludge | noun

"Sewage sludge," and "biosolids" are interchangeable terms that describe the semi-solid byproduct of sewage treatment plants. All sewage sludge contains PFAS and hundreds of other toxic chemicals from industries and households.

WHAT CAN YOU DO?

As consumers, it can seem like we are powerless against corporate motivations to increase profits year-after-year through tactics like greenwashing. But collectively, we hold a lot of power, and we can keep companies accountable through our purchases, spreading the word, supporting legislation, and using our legal system.

Effective action against greenwashing begins with recognition. Although not all companies are honest, and most are not transparent, consumers can learn to identify deceptive practices and – if they are able – avoid purchasing from those companies.

Spotting Greenwashing

Before taking environmental claims at face value, ask yourself:

Does the product exploit nature-based imagery or colors?

As eco-conscious consumers, we may be attracted to items that seem to be environmentally friendly. For example, car companies systematically feature their fossil fuel consuming products being driven in beautiful landscapes, which creates a misleading association. But don't be fooled! Look for specific information on the company or product to understand its environmental impact.

> Does the product misuse environmental buzzwords?

Companies frequently use terms like "sustainable" or "eco-friendly" or "green" to attract environmentally conscious buyers. However, these words don't mean anything if there is no concrete evidence that supports these claims. So, before taking these buzz words at face value, do a little digging on the company or product.

> Does the product have any third-party certifications?

Some (but not all) certification stamps can indicate that a product has passed the test in terms of limiting its environmental impact – actually earning the use of some of those buzzwords. But be careful! Some third-party certifications are created by industry groups to promote their own products. Unfortunately, this requires some independent research and relying on trustworthy sources to help you identify which third-party certifications are truly independent.

If a sustainability claim seems too good to be true, then it likely is! Trust your gut. Companies that hide the ball on how they came to make their sustainability claims and are not transparent about their business practices may be misguided at best and outright lying at worst. Are the product and its claims too good to be true?



Spread the Word

In addition to withholding your money from companies that don't align with your values, you can also let them know what you think. Engage with companies through direct correspondence, petitions, and through social media platforms. You can also share your findings on greenwashing practices with your online and local communities to raise collective awareness.

Support Truth in Labeling Laws

Another way we can combat greenwashing is through <u>stronger laws</u> that require companies to be truthful and transparent about their environmental impact and claims. For example, although many products are currently labeled with the popular chasing arrows symbol, a lot of these products <u>are not actually recyclable</u> in many communities. This is also becoming an issue among products that are marketed as "<u>compostable</u>."

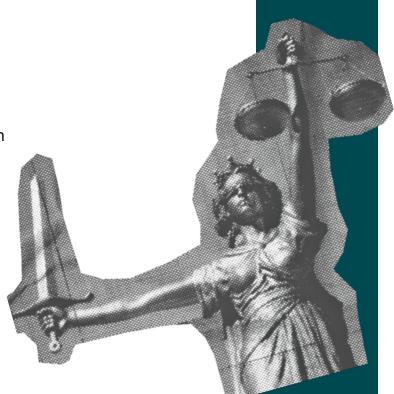
A federal Truth in Labeling law would help provide consumers with clear, end-of-life information for products. States can also enact Truth in Labeling laws to help protect consumers in their state.

Another avenue for keeping corporations accountable is to push the United States Federal Trade Commission (FTC) to update its "<u>Green Guides</u>." The Green Guides are principles that guide company standards in marketing or labeling products as eco-friendly. This includes claims about recyclability. The Guides are intended to help combat deceptive advertising but right now, the Green Guides as written <u>aren't working</u>. Strengthening the Guides would help align industry practices with current environmental standards and consumer needs.

Utilize Our Legal System

As shown through several of the spotlights above, legal action by individuals, nonprofits, and the government can be a powerful tool against greenwashing. Although litigation demands significant resources, supporting consumer advocacy groups through donations or volunteering offers an alternative path to combat greenwashing.

Alternatively, you may also file a complaint with your <u>state consumer protection agency</u> or the <u>Federal Trade Commission</u>, both of which exist to protect you from predatory business practices. These administrative remedies typically require only a simple online form submission, making them more accessible than litigation.



HOW WE CAN HELP

Given how tricky it is to navigate greenwashing, **Just Zero works to put power back in your hands** so that you can make purchasing choices based on your values. Through this report's analysis of 2024 greenwashing cases, we aim to **strengthen your defenses** against deceptive environmental claims.

Our organization also supports communities that are seeking to push forward Truth in Labeling laws in their state and on the federal level. Our <u>Model Legislative toolkit</u> can help you **build the best bill that works for your state**. We also offer technical assistance if you have any questions about pushing a bill forward in your state.

Just Zero champions strong Zero Waste policies by supporting targeted campaigns and providing expert advocacy. <u>Join our mission</u> as we advance comprehensive environmental and public health protection through robust Zero Waste legislation and policy reform.

Questions? Contact Us!

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