



GREEN NETWORK LUNCH AND LEARN: BEWARE GREENWASH

Date: 12th July 2024

Time: 1-1:45pm

**TEAM
LONDON
BRIDGE**

protiviti[®]
Global Business Consulting



What do we mean by greenwashing ?

Dictionary Definition

greenwashing

•noun [U]

“Behaviour or activities that make people believe that a company is doing more to protect the environment than it really is.”

Origin of the Term

The term "greenwashing" was coined by environmentalist Jay Westerveld in 1986. He came up with the term after observing the irony in a hotel's promotion of reuse of towels ostensibly to "save the environment," while it made little to no effort in reducing its overall impact on nature through substantive measures.



About Protiviti – global and UK

Protiviti is a global business consulting firm with deep expertise, objective insights, a tailored approach and unparalleled collaboration.

Integrity

Inclusion


Innovation

Commitment to Success

Our UK practice

Our UK-based internal audit and consulting teams provide seamless delivery across geographies.

- **Seven offices** in the UK and the main office in London in the Shard.
- **Expertise** in Internal Audit, Finance, Technology, Operations, Governance, Compliance and Risk.
- **Principal partner of the Chartered Institute of Internal Auditors and the Global IIA.**



Financial Services is our largest industry segment



Practitioners with **real-world industry experience**



One company globally, not limited by partnership legal structures

We have served over 80% of Fortune 100 companies

We have served over 80% of Fortune 500 companies

We have served over 40% of FTSE 100 companies

8.7 / 10

average customer satisfaction

100%

of our customers want to "stick with Protiviti for future projects"

Top accolades



Leadership

Click here for our [Executive](#) and [UK Leadership](#) team.

Poll Question

What do you think is the biggest risk if a firm fails to implement the greenwashing requirements?

- A** Regulatory/Compliance Risk
- B** Reputational Risk
- C** Investment Risk
- D** Financial Risk - compensation and mis-selling
- E** Legal Risk
- F** Other

Greenwashing and the FCA

FCA Anti-Greenwashing Rule

The anti-greenwashing rule is a rule proposed by the FCA that will apply to all FCA-regulated firms. The rule requires that “a firm must ensure that any reference to the sustainability characteristics of a product or service is consistent with the sustainability profile of the product or service, and is clear, fair and not misleading.”

Key Concepts

Greenwashing 

Sustainability related claims must be:

- Correct
- Clear
- Complete
- Comparisons

Labels 

- Sustainability Focus
- Sustainability Improvers
- Sustainability Impact
- Sustainability Mixed Goals

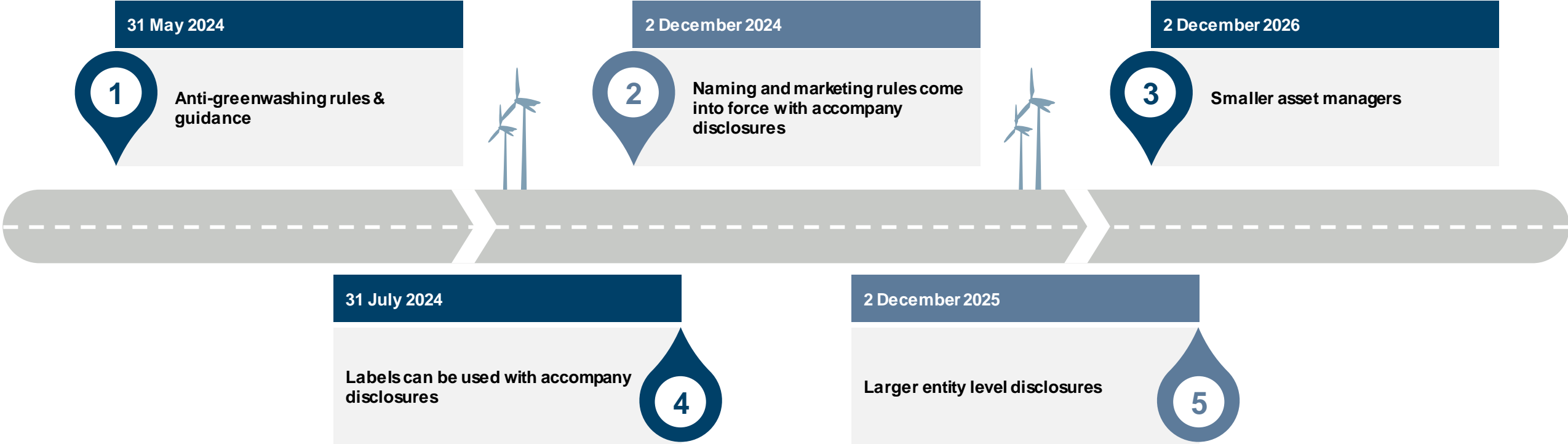
Disclosures 

- Consumer-facing information
- Detailed information (pre-contractual)
- Ongoing information
- Entity-level disclosures

SDR Framework Timeline

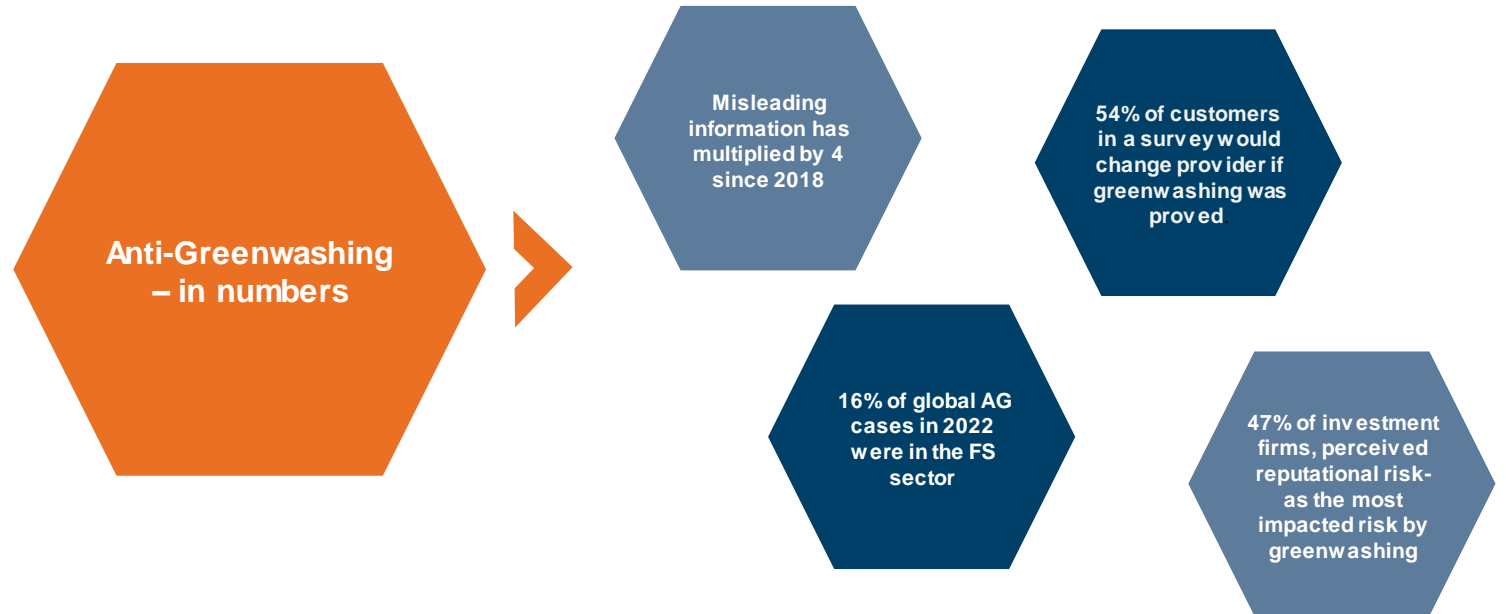
NEW anti-greenwashing rule ESG 4.3.R “A firm must ensure that any reference to the sustainability characteristics of a product or service is (a) consistent with the sustainability characteristics of the product or service, and (b) clear, fair and not misleading.”

Timelines

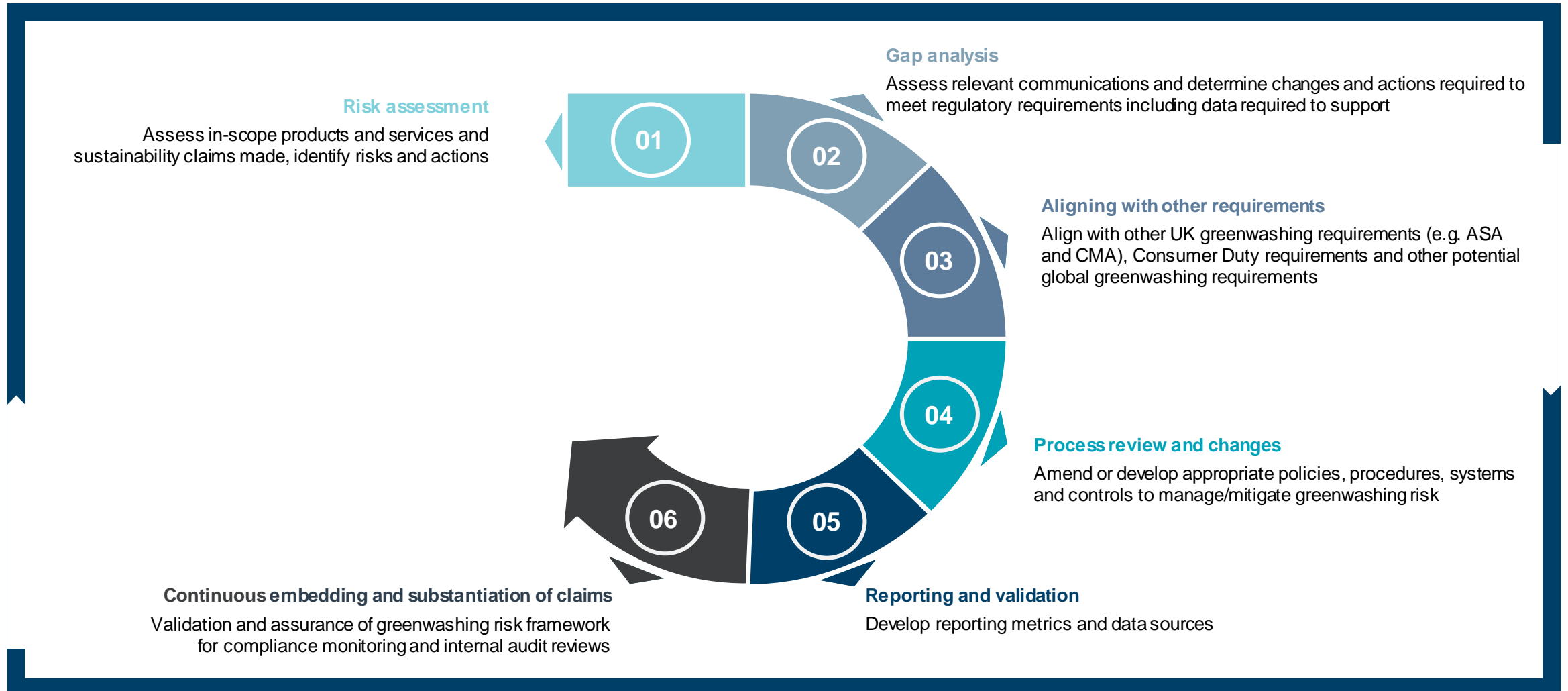




Anti-greenwashing statistics



An effective approach



Protiviti – some collateral



Katrina Nardiello
Regulatory Compliance Specialist
| Manager at Protiviti UK | Climate...



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<https://lnkd.in/g/y3eH6Pz>

The FCA's anti-greenwashing guidance is finalized
Remainder from an LinkedIn + 3 view used

Sustainability: Frequently Asked Questions

Home | About | Strategy | Operations | Data & Tools | Operations | Governance | Reporting | Insights
Our Services

Greenwashing: Implementing the UK Sustainability Disclosure Requirements

And Greenwashing: The Implications

NEW Anti-Greenwashing Rule ES&G 4.38
"A firm must ensure that any vehicles in the sustainability characteristics of a product or service is in compliance with the sustainability characteristics of the product or service, and is clear, fair and not misleading."

Timeline for application of UK ES&G

- 31 Mar 2026: Final guidance issued
- 31 Dec 2026: Reporting begins
- 31 Dec 2027: Reporting begins
- 31 Dec 2028: Reporting begins
- 31 Dec 2029: Reporting begins

What is an effective approach?

All ECA regulated firms should begin a framework to review all services products and services with sustainability risks on the path to ECA reporting.

Climate assessment & substantiation | **Climate action & understanding** | **Climate data collection & verification** | **Climate risk assessment & disclosure**

Key steps for implementing ES&G

1. Risk assessment
2. Data collection
3. Data verification
4. Reporting

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ESG Data for Financial Services in an Operational Environment
October 2023

Future of ESG Vision by Protiviti

VISION by Protiviti embarks on an ambitious project to explore the Future of ESG. Featuring interviews and insights by experts from around the globe, VISION by Protiviti puts ESG and sustainability under the microscope to examine the impact they will have on global business—and the world in which it operates—in 2030 and beyond.

[Link](#)



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QUESTIONS?