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Are Your Beauty Claims ‘Green’ Or Greenwashing?

Attorneys discuss risks, regulations and best practices for marketing ‘green’ beauty in a market obsessed with health and sustainability

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Guest authors Marcha Isabelle Chaudry, an attorney and founder of the Equity and Wellness Collaborative, and Rachel Raphael, partner at Morgan, Lewis & Bockius, LLP, write about the risks companies face in making claims in the realm of ‘green’ beauty, where an absence of a universal standard or definition for ‘green’ is creating confusion and in some cases, legal headaches.



The holiday season will soon be upon us, and, for many, green beauty products are high on the shopping list. Consumers are becoming better educated (and more concerned) about how the products they use every day impact the environment and their own health. This has led to an increased demand for products that are marketed as “green.” Consumers are willing to pay a premium for these products, and, as a result, companies have adapted their marketing and advertising strategies to emphasize nontoxic formulations, ethical sourcing, and environmental consciousness.

The allure of green beauty lies in its promise of safety, transparency, and environmental responsibility, but the concept of green beauty faces a significant challenge—the lack of any universal standard or definition governing the use of the term.

For many consumers, green beauty may represent a commitment to using “safe” ingredients and minimizing harmful chemicals and potential contaminants. These terms may also refer to eco-friendly practices, like sustainable sourcing and recyclable packaging. Companies also take varied approaches. Some direct their attention toward natural ingredients, favoring those that are plant-based or minimally processed over those that are synthetic. Some take a “nontoxic” approach, excluding ingredients linked to potential health risks, even if they are synthetically derived. Some focus primarily on the environment, promoting products that reduce waste or use biodegradable materials. And some prioritize cruelty-free practices and require that products avoid animal testing.

Without clear guidelines, the term “green” is open to interpretation. This allows companies to make up their own, liberal definition that suits their needs. And although the ambiguity can benefit companies, the inconsistent

use of “green” and similar terms leads to confusion in the marketplace, making it difficult for consumers to know if products genuinely align with their values and expectations. As a result, these claims are often targeted in false advertising litigation.

Companies often have the data to back up their environmental impact claims, but when they do not, it is called “greenwashing,” i.e., the practice of using misleading marketing tactics to portray products as being more environmentally friendly, more natural, or safer than they actually are. Labeling products as “green” or “eco-friendly” without substantiation creates a false perception that these products adhere to higher safety or ethical standards. Capitalizing on these popular terms gives brands a competitive edge by attracting consumers who are focused on health and sustainability without having to make verifiable changes to their ingredients or business practices.

US Vs. EU Approach To Greenwashing

Cosmetics sold in the US are subject to relatively limited regulatory oversight. The US Food and Drug Administration (FDA) enjoys expanded authority under the Modernization of Cosmetics Regulation Act (MoCRA) passed in 2022. However, cosmetic products still do not require pre-market approval (with the exception of color additives), and companies do not need to file safety data or product formulation information with the FDA.

In contrast to the US, the European Union maintains a stringent regulatory framework for cosmetic products and their ingredients. The EU Cosmetics Regulation (EC) No. 1223/2009 enforces strict safety assessments and prohibits or restricts numerous substances to ensure consumer safety. And the EU’s recent targeting of misleading

environmental sustainability claims through the Empowering Consumers Directive for the Green Transition (“Empowering Consumers Directive,” Directive (EU) 2024/825) and the Green Claims Directive will significantly impact how beauty companies market products sold in the EU.

Adopted in May 2024, the Empowering Consumers Directive amends the Unfair Commercial Practices Directive to include greenwashing as a misleading practice in business-to-customer relations and aims to protect consumers from being misled by “environmental claims” about a product. Key provisions for cosmetics companies selling products in the EU include:

- 1. Prohibition on Generic Environmental Claims:** Claims must demonstrate certified environmental performance, and generic claims (e.g., “sustainable”) are not allowed unless supported by recognized certification schemes or verified eco-labels.
- 2. Restrictions on Offsetting Claims:** Claims that rely solely on carbon offsetting, such as “climate neutral,” are prohibited unless based on the product’s entire lifecycle impact.
- 3. Labeling Requirements:** Claims must be communicated clearly and prominently, and labels must precisely identify the claimed environmental impact.
- 4. Product Comparisons:** Environmental comparisons between products must specify attributes, methodology, and context. For example, claims that a product is “less damaging” must be grounded in data, specifying which attributes or impacts are being compared.

Additionally, interinstitutional negotiations have begun regarding the Green Claims Directive, a proposed directive on substantiation and communication of explicit environmental claims that complements the Empowering Consumers Directive.

As proposed, the Green Claims Directive would require that companies intending to make environmental claims and market their products with terms such as “eco-friendly,” “sustainable,” and “biodegradable” provide verifiable proof in the form of robust evidence. The directive would also restrict claims such as “climate neutral” when based solely on carbon offsetting, and, by 2026, these companies would need to show that such claims reflect the product’s lifecycle impact, preventing superficial sustainability messaging that lacks genuine environmental benefit.

Noncompliance with the Green Claims Directive would carry substantial penalties – fines of up to 4% of annual revenue and possible exclusion from public procurement tenders – underscoring the EU’s focus on misleading environmental claims and its interest in pushing companies, including beauty brands, to adopt rigorous compliance measures.

Legal Risks In Making “Green Beauty” Claims

Although the US currently lacks regulations equivalent to the Green Claims Directive or Empowering Consumers

Directive, the U.S. Federal Trade Commission’s Green Guides outline requirements for truthful environmental marketing and explain that those claims must be clear, substantiated, and not misleading to avoid deceiving consumers. Additionally, the EU’s recent actions may inspire further regulatory shifts in the US—both on a federal level and among the 50 states. At minimum, the EU’s efforts to address greenwashing are sure to gain traction with consumers and advocacy groups.

Thus, along with the growing popularity of green beauty will be a higher degree of scrutiny. Various cosmetics brands have already come under fire for confusing consumers with claims that their products are “environmentally friendly” and “more sustainable” without sufficient context. Recent cases highlight the need for companies to make sure that any environmental claims are transparent, verifiable, and supported by credible evidence, and companies making unsubstantiated environmental-impact claims about the cosmetic products they sell in the US are at an increased risk for legal challenges, particularly as concerns about greenwashing in the beauty industry continue to grow.

Attorneys’ Recommendations

Companies selling cosmetics products in the US and making environmental claims about those products can mitigate their legal risk with the following steps:

For US Markets:

Verified Certifications: Use a third-party certification process with rigorous standards. Verified labels enhance credibility and ensure consumer transparency.

Lifecycle Analyses: Perform lifecycle assessments to ensure environmental claims reflect genuine product impact. Although not required in the US, these assessments provide credible substantiation for claims such as “carbon neutral” or “biodegradable.”

Transparent and Specific Labeling: Avoid broad or vague terms when making environmental-impact claims. Context is important—companies must be precise about the claimed environmental benefits in order to avoid consumer confusion.

Internal Review Processes: Establish protocols to verify that all green claims are accurate and evidence-based. Regular audits and documentation add a layer of accountability and reduce risks in the event of future regulatory changes.

Global Trend Monitoring: Stay informed about how regulators across the globe are dealing with green marketing.

Legal and Regulatory Compliance Partners: Find partners who know the beauty industry and can (1) help the company navigate regulatory compliance issues, and (2) best prepare the company in the event of a future lawsuit or other legal challenge.

For EU Markets:

Compliance with the Empowering Consumers Directive: Ensure all claims are clearly communicated and

supported by robust, verifiable data, and avoid generic claims about environmental benefits (e.g., “sustainable,” “green,” “eco-friendly”) that lack the support of recognized certification schemes or eco-labels.

Green Claims Directive Requirements: Prepare for stricter substantiation rules, including lifecycle analyses for

environmental claims, and start developing the necessary, supporting data to avoid future noncompliance penalties.

Environmental Messaging: Be precise about claimed impacts, avoid claims that rely only on carbon offsetting, and ensure any product comparisons are grounded in a clear methodology.



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[Marcha Isabelle Chaudry](#), an attorney and founder of the Equity and Wellness Collaborative (EWC), specializes in compliance management for beauty and wellness businesses. She provides expert guidance on navigating complex legal and regulatory requirements throughout the product development, including facility registration, product listing, claims review, labeling, certification, and adverse event reporting. By focusing on safety and streamlined compliance, Marcha equips businesses with the tools to meet industry standards efficiently and effectively.



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[Rachel Raphael](#) is a partner at Morgan, Lewis & Bockius LLP. Rachel regularly represents clients in all tiers of the supply and distribution chain and in a variety of industries, including personal care and cosmetics. She defends clients against claims of unfair and deceptive business practices, breach of contract, fraud, negligence, false advertising, and breach of warranty in complex product liability and class action litigation throughout the United States. She also advises clients on the many issues that may arise over the product lifecycle, whether it involves negotiating with a contracting partner, evaluating the risk of a new venture, or navigating product-related complaints. As a litigator and risk management counselor, Rachel offers insight on how to companies can mitigate the legal risks associated with the manufacture, distribution, packaging, labeling, and marketing of their products.

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