Proceedings of the 4th International Conference on Global Politics and Socio-Humanities
DOI: 10.54254/2753-7048/2026.33087

Greenwashing and the Legal Boundaries of Green Claims by Multinational Fast Fashion Brands

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Abstract. Under the global trend of sustainable consumption, green marketing has become a key strategy for multinational fast fashion brands. At the same time, greenwashing has emerged as a major legal and reputational risk. This paper examines a central question: when does environmental publicity become unlawful? It explores the boundary between marketing rhetoric and legally verifiable fact in the context of multinational fast fashion branding. First, the paper defines misleading green claims, reviews global anti-greenwashing regulatory trends, and explains growing opposition to vague and unverifiable environmental statements. Second, it identifies a minimum evidence checklist for lawful green advertising, including clear definitions, precise scope, verifiable methods, and third-party substantiation. Third, through the cases of H&M, which was required by the Dutch ACM to revise its sustainability claims, and Zara, whose promotional terms were criticised by the Polish UOKiK for lacking clarity, the paper analyses the causes of misleading green advertising and possible corrective approaches. It argues that the legality of green advertising depends on authenticity, verifiability, and clarity of scope. Vague generalisations, insufficient evidence, and the omission of key information are likely to cross legal boundaries. The paper concludes by proposing compliance recommendations for multinational fast fashion brands seeking to reduce greenwashing risks and promote credible sustainable marketing.

Keywords: greenwashing, fast fashion, green advertising

1. Introduction

With the rise of global demand for sustainable consumption and the continuous strengthening of anti-greenwashing regulations, the concept of green consumption has taken root in people's minds, and green marketing has become an important means for multinational fast fashion brands to capture the market. As a typical multinational enterprise, fast fashion brands, relying on global supply chains and diversified marketing channels, frequently release environmental promotions through scenarios such as product labels, social media, and offline advertisements, attempting to weaken the industry's negative label of fast turnover and high consumption. At the same time, greenwashing has also become one of the most common legal and reputational risks for multinational fast fashion companies.

Its root lies in the industry characteristics of the fast fashion sector, namely long supply chains, rapid product iteration, and cross-regional operations, as well as brands' utilitarian abuse of green

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DOI: 10.54254/2753-7048/2026.33087

marketing, excessively pursuing marketing effects while ignoring legal boundaries, using vague and generalized environmental language to cover up the actual environmental attributes of products, resulting in a serious disconnect between marketing promotion and legal facts. This gives rise to the central issue discussed in this article: Environmental advertising itself is not illegal, but when marketing language is disconnected from legal facts, what legal boundaries must multinational fast fashion brands adhere to in their green advertising? Which promotional behaviors constitute misleading green advertising?

Currently, global anti-greenwashing regulations are becoming increasingly stringent. Regulatory bodies such as the EU's Green Claims Regulation, the U.S. FTC's Green Guides, Poland's UOKiK, and the Netherlands' ACM all explicitly prohibit vague, unverifiable, and generalized green claims, strengthening evidence requirements for green advertising and obligations for third-party verification. In this context, clarifying the legal boundaries of green advertising by multinational fast fashion brands and identifying illegal promotional practices can not only provide guidance for brands to avoid legal risks, but also help the fast fashion industry break free from the greenwashing dilemma, achieving a balance between marketing needs and legal compliance. Based on this, this article systematically analyzes the legal boundaries of green advertising by multinational fast fashion brands by combining regulatory rules, evidence requirements, and typical cases, explores the reasonable limits between marketing rhetoric and legal facts, and proposes targeted compliance suggestions to provide a reference for brands in green marketing compliance.

2. Implication and regulation

2.1. Legal definition of misleading environmental claims

In the context of legal regulation, misleading green claims refer to greenwashing in the field of green advertising. Greenwashing refers to making misleading, exaggerated, or false statements about a company's environmental or sustainability record or practices, including the impact of its operations, products, or services. For example, claiming that products or services are eco-friendly or sustainable when their environmental impact is not materially different from other comparable products or services, or setting ambitious climate-related targets without providing clear and effective steps to achieve the greenhouse gas reduction goals [1].

Under the framework of EU law, concerning the legality of corporate green advertising and environmental claims, the Unfair Commercial Practices Directive, as amended by the 2024/825/EU Green Transition Directive, establishes four core legal assessment criteria, which constitute the fundamental basis for determining whether green marketing by fast fashion brands constitutes unlawful misleading practices [2].

2.2. Green advertising regulation trends

At the international level, the EU's Green Deal and the Sustainable Products Regulation require fast fashion brands to disclose environmental information across the entire product lifecycle and prohibit generalized claims such as sustainable without basis; the OECD Guidelines for Combatting Greenwashing emphasize substance over form, advocating that environmental claims must be based on verifiable data. At the national level, competition authorities in various European countries have proactively taken action, focusing on compliance reviews of green advertising in fast fashion. In the United States, the FTC's Green Guides require that green claims must be specific and supported by evidence, otherwise they may constitute false advertising. In China, Article 28 of the Advertising

DOI: 10.54254/2753-7048/2026.33087

Law and Article 8 of the Anti-Unfair Competition Law prohibit false or misleading commercial publicity [3].

Clear regulatory consensus has been established in various jurisdictions: vague, unverifiable, and merely marketing-level green claims are all high-risk illegal behaviors and are very likely to be deemed illegal.

3. Minimum evidentiary requirements for green advertising compliance

3.1. Evidence of defining green terminology

The key is to prove that the terms the brand uses, such as green, eco-friendly, or sustainable, are well-founded, rather than self-created vague concepts. Evidence may include definitions from international standards such as ISO 14021 or GB/T 24021, or interpretations of relevant terms provided by certification bodies such as GOTS and Bluesign [4]. In summary, the definition of all green terms must adhere to the principle of no evidence, no claim, which is a consensus among global regulators and a fundamental guideline for companies to avoid the risk of greenwashing.

3.2. Evidence of explaining the scope of green claims

The core of defining the scope of a green claim lies in clearly specifying the objects covered by the claim, the life cycle stages, environmental attributes, and quantitative boundaries. It must be based on verifiable authoritative evidence and follow the principle of clear scope, clear boundaries, and closed-loop evidence, avoiding misleading claims such as partial substitutes for the whole or stage substitutes for the entire life cycle. Many greenwashing cases occur when a brand implies a commitment for the entire brand based solely on the environmental attributes of a single product line. Evidence should rely on specific carriers. For example, limiting statements on product labels, scope notations on official website detail pages, or advertisements explicitly indicating applicable series or components.

3.3. Evidence for verifiable methods to validate environmental claims

The core of verifiable environmental statements lies in establishing a closed-loop system of statement, method, evidence and verification, following the principles of scientific methods, traceable data, reproducible results, and third-party verification, to avoid vague claims without methodological support and false claims without evidence verification. Environmental statements must be verifiable by third parties. Evidence includes disclosing the GHG Protocol methodology followed by carbon emission accounting, the formula for calculating the proportion of recycled materials, or traceable supply chain data. The core principle is transparency and reproducibility of the methods [5].

3.4. Supporting materials from third-party authoritative verification

Talking to oneself lacks credibility. Supporting materials certified by three authoritative parties are the core guarantee of the credibility of green claims and must follow the principle of authoritative institution, standard method, complete evidence and traceable records, forming a complete chain of evidence from application to verification. Independent endorsements are solid evidence. Such materials include certification certificates from authoritative organizations like OEKO-TEX and

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Bluesign, test reports from accredited laboratories, or verification statements from industry associations [6].

3.5. Evidence of explaining situations with restrictions on environmental attributes

Environmental attributes often come with implicit conditions, and brands must proactively disclose them. For example, biodegradable needs to specify whether it is suitable for industrial composting or home landfill; recycled materials need to indicate the specific content ratio. Evidence is reflected in usage limitation statements on product packaging, footnotes on official websites, or usage condition prompts in product manuals.

4. Discussion on the boundaries between green marketing language and legal facts

4.1. Review of high-risk environmental protection terms in green marketing

Some green marketing terms carry higher legal risks due to their inherent ambiguity, and the following terms need to be closely monitored.

Sustainable refers to the most abstract concept and carries the highest risk. Lacking a unified definition, regulations require brands to clearly define and quantify it themselves. Simply claiming sustainable fashion without specifying which part, such as materials, production, or the entire lifecycle, is very likely to be considered inadequate. Environmentally friendly is easily misused. Brands need to specify the environmental dimension, such as water-saving, carbon reduction, or non-toxicity. If the item is used for products whose environmental impact is not significantly different from the original product, it shall be regarded as a breach of contract. Claims like Biodegradable must specify whether the applicable environment is industrial composting or home composting, as well as the time required for degradation. Failing to disclose these conditions constitutes misleading information. Carbon neutral must disclose the scope of emissions, calculation methods, offset ratios, and specific emission reduction pathways. The EU has restricted the use of this term solely based on carbon offsets rather than actual emission reductions. Recycled materials must indicate the percentage of recycled material content and its source. Simply stating made from recycled materials without quantifying or specifying the source is inadequate [7].

The cases of Zara and H&M further reveal how these high-risk terms can become sources of compliance deficiencies in practice. In 2026, the Polish Competition and Consumer Protection Authority investigated Zara's Join Life collection, accusing it of using terms like sustainable, zero waste, and net zero emissions without clearly defining them or explaining their scope of applicability. Consumers seeing the Join Life label could easily misinterpret it as an eco-friendly commitment for the entire brand, whereas the collection represents a very small portion. Similarly, in 2025, the Korea Fair Trade Commission warned Zara for labeling synthetic leather products as eco leather or environmentally friendly, while the products were ordinary PU synthetic leather and had not received any environmental certifications. Zara used the term eco for a single material category but did not clarify that the statement applied only to the material itself and not to the overall environmental attributes of the product [8].

H&M's Conscious collection faced scrutiny for the same reason of using high-risk terms. In 2022, the Netherlands Authority for Consumers and Markets investigated H&M for using vague labels such as eco design and environmental conscious without providing sufficiently clear evidence to support them. Ultimately, H&M committed to modifying its promotional language and paid 400,000 euros to reach a settlement. The UK's Advertising Standards Authority also made several adverse

DOI: 10.54254/2753-7048/2026.33087

rulings against H&M, including a case where the claim of 100% recycled materials did not indicate that it applied only to a specific product line and did not provide verifiable supporting data.

4.2. Definition of the legal application conditions for green claims

Based on the regulatory framework, evidence requirements, and case analysis, compliant green claims can be distilled into five core principles. These principles are not only derived from legal provisions but are also validated by compliance deficiencies revealed in the Zara and H&M cases, highlighting the consequences of failing to meet the various requirements.

First, claims must be based on clearly defined terms. Brands must not use vague self-created concepts or terms that lack recognized definitions. Any environmental term used must be accompanied by an exact, verifiable definition. Zara used terms such as sustainable and net-zero emissions in the Join Life campaign without clear definitions, and the Polish Office of Competition and Consumer Protection determined that this violated the principle. Second, claims must clearly define their scope. Brands must not imply the sustainability of the entire brand based on the environmental attributes of a limited product line or component. The applicable scope must be clearly disclosed, whether a specific product, particular material, or specific stage. Zara labeled ordinary PU synthetic leather as eco leather without stating that the claim applied only to the material name and not the entire product, and H&M's 100% recycled materials claim did not indicate it only applied to specific product lines, both constituting concealment of the scope. Third, claims must be supported by verifiable methods. The data and methodology underlying environmental claims must be transparent and reproducible. Brands must not refuse to disclose calculation formulas, supply chain data, or emission accounting methods on the grounds of trade secrets. In the investigation by the Dutch Authority for Consumers and Markets, H&M failed to provide transparent and reproducible data to support its eco design and environmental awareness claims, highlighting the lack of verifiable methodologies. Fourth, claims must be backed by independent third-party verification. Self-declaration is insufficient. Independent confirmation must be provided by recognized certification bodies, accredited laboratories, or industry associations. Although both Zara and H&M obtained various certifications, cases show that if the claims themselves remain vague or lack substantial basis, certification alone does not ensure compliance. The ruling by the UK Advertising Standards Authority on H&M shows that even if a claim carries certification, it can still be deemed misleading if the scope or methodology remains unclear. Fifth, limitations and conditions must be proactively disclosed. Any conditions under which environmental attributes apply, such as the specific disposal environment required for biodegradability claims must be prominently disclosed rather than hidden in footnotes or fine print.

The Polish Office of Competition and Consumer Protection's investigation into Zara revealed that claims such as zero waste and net-zero emissions failed to disclose their limited applicability, leading consumers to mistakenly believe these commitments applied to the entire brand [9].

5. Personal recommendations for compliance with green advertising of international fast fashion brands

5.1. Clarify the applicable scope of green claims and standardized expression methods

Green claims must follow the four major principles of scope clarification, concrete expression, transparency of limitations, and verifiable evidence, clearly defining the product coverage, life cycle stages, applicable conditions and exclusions, using quantifiable terms and disclosing limitations in

DOI: 10.54254/2753-7048/2026.33087

prominent positions, while providing a complete chain of evidence to support them. Multinational fast fashion brands should establish an internal green terminology database to unify the definitions, scopes of application, and usage conditions of all sustainability-related terms across markets and departments. This helps ensure consistency and reduces compliance risks across different jurisdictions. For example, instead of claiming made from recycled materials, the brand should state this product contains 30% post-consumer recycled materials [10]. This type of expression provides specificity, verifiability, and legal defensibility. Brands should also establish a cross-department review mechanism, involving legal, marketing, and sustainability teams, to review all green advertising materials before publication, ensuring that every environmental claim is supported by the necessary documentation.

5.2. Strengthen third-party authoritative verification to improve compliance support

To reduce the risk of greenwashing accusations, brands should prioritize obtaining recognized third-party certifications rather than relying on self-created eco-labels. Certifications such as OEKO-TEX, GOTS, Bluesign, and GRS have acknowledged credibility and are widely accepted by regulators and consumers [11].

5.3. A significant transparent disclosure mechanism for refining environmental attribute restriction conditions

Strictly follow regulatory requirements and disclose information about exclusions, applicable conditions, and scope limitations of green claims in a way that is displayed on the same screen, with prominent fonts and plain language, and do not weaken the limitation explanations through small print or hidden pages; develop differentiated disclosure standards for different scenarios such as e-commerce, social media, and offline advertising to ensure consistent fulfillment of disclosure obligations across platforms.

5.4. Establish a closed-loop evidence preservation and regulatory response mechanism

Build a digital green advertising evidence management repository to uniformly store materials such as third-party verification reports, testing data, scope definition documents, and certification certificates, strictly complying with evidence retention requirements such as the EU's 5-year rule and the US's on-demand access; formulate regulatory investigation and complaint response plans, clearly define the time limits and processes for evidence submission and rectification execution, and reduce the risk of penalties and reputational damage.

5.5. Carry out regular compliance training and improve the internal accountability system

Conduct layered and categorized green advertising compliance training for management, marketing personnel, and supply chain partners, reinforcing risk awareness with real cases from H&M and ZARA; establish a compliance assessment and accountability mechanism, incorporate green advertising compliance performance into performance evaluations, hold internal accountability for violations, and cultivate a company-wide compliance culture.

In addition, brands should adopt transparent disclosure practices, regularly publishing sustainability reports that include verifiable data such as carbon emissions, raw material sourcing, supply chain traceability, and progress toward established environmental goals. Such disclosures not only enhance credibility but also provide evidence during regulatory reviews. Proactive compliance

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measures, such as hiring independent auditing agencies to periodically review green marketing claims, can help brands identify and rectify issues before they escalate to regulatory enforcement actions.

6. Conclusion

The legal boundaries of green advertising by multinational fast fashion brands. It mainly elaborates systematically on the irregularities of multinational fast fashion brands in making green claims in the current era, from the perspective of concepts and rules, the minimum checklist of evidence requirements, analysis of the H&M and ZARA cases, the boundary between marketing and facts, as well as personal suggestions on how to regulate green advertising by multinational fast fashion brands. Some of these promotional practices touch on legal boundaries, such as vague and generalized green claims, and the unsubstantiated use of superlative terms like green, environmentally friendly, and carbon neutral. For example, H&M's Conscious collection did not clearly define sustainable standards and was required by the Dutch ACM to rectify in accordance with the EU Green Claims Directive. There are also green claims that cannot be verified and remain only at the marketing level, leading to the following conclusions.

This article makes it clear that not all environmental protection promotions are illegal; the core boundary of their legality lies in the truthfulness, verifiability, and clarity of scope of the promotional content. Misleading green claims, as the core manifestation of illegal environmental promotion, specifically refer to statements in green advertising where brands make claims that lack factual basis, are vague, or deliberately conceal key information, sufficient to mislead consumers about the environmental attributes of a product. This definition has been recognized by major regulators globally, including in the EU, the US, and Poland. Currently, global regulation has formed a clear trend: firmly opposing generalized, unverifiable claims such as green, environmentally friendly, sustainable, and carbon neutral, and mandating that green advertising must have clear terminology definitions, explicit scope boundaries, verifiable scientific methods, and authoritative third-party verification. This is also the core prerequisite for compliant green advertising.

Combining the Dutch ACM's rectification requirements for H&M and the Polish UOKiK's regulatory concerns about Zara as two typical cases, this paper further confirms the legal red lines for green advertising by multinational fast-fashion brands: H&M was required by the ACM to adjust labels, clarify the scope, and make compliance commitments because its Conscious series sustainability claims were vague and lacked supporting evidence; Zara's Join Life series used environmental terms without clear definitions and scope, which led UOKiK to include it in regulatory scrutiny. Both cases reveal that unclear scope, insufficient evidence, and omission of key information are the main factors causing green advertising violations. At the same time, the minimum evidence checklist for green advertising summarized in this paper clarifies that the basic requirements for brands to make lawful green claims include clearly defining environmental terms, explicitly stating the applicable scope, using verifiable validation methods, and providing third-party authoritative verification reports, providing a practical basis for brands to avoid legal risks.

In delineating the boundary between marketing and facts, this article makes it clear that terms such as sustainable, environmentally friendly, biodegradable, and carbon neutral are not absolutely prohibited, but must meet strict applicability conditions: the product boundaries, lifecycle stages, geographic scope, and prerequisites must be explicitly stated; quantitative and concrete expressions should be used; a complete evidence chain and third-party verification must be provided; and limitations and exclusions must be prominently disclosed. Conversely, if the scope is not clearly defined, evidence support is lacking, or key information is deliberately concealed, such generalized

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claims constitute misleading advertising and may face regulatory penalties, brand reputation damage, and other legal and commercial risks.

Based on the above conclusions, the personal compliance recommendations proposed in this paper focus on promoting multinational fast fashion brands to transform green advertising from a marketing-oriented approach to a compliance-oriented approach: clarifying the applicable scope of green claims and the standard ways to express them, eliminating generalized and vague statements; strengthening third-party authoritative verification to build a complete compliance evidence chain; establishing internal compliance governance and training systems to prevent greenwashing risks from the source. This is not only an inevitable choice for brands to avoid legal risks but also an important pathway for the fast fashion industry to achieve sustainable development.

The core legal boundary of green advertising by multinational fast fashion brands lies in truthfulness and verifiability. The legality of environmental claims does not depend on whether they promote environmental protection, but on whether the environmental attributes being promoted are supported by facts and evidence, whether the scope is clear, and whether the statements are compliant. In the context of increasingly stringent global anti-greenwashing regulations, multinational fast fashion brands can only achieve a win-win of green marketing and sustainable corporate development by adhering to legal boundaries, integrating compliance requirements into the entire green marketing process, and balancing marketing needs with legal obligations, while also driving the fast fashion industry toward genuine green transformation. In the future, with the full implementation of new regulations such as the EU Green Claims Regulation, the compliance requirements for green advertising will become more detailed. Multinational fast fashion brands need to continuously monitor global regulatory developments and continuously improve their compliance systems to avoid greenwashing risks. This also represents the limitations of this study and directions for further exploration.

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