# THINKZERO PEER REVIEW & GREENWASHING RISK ASSESSMENT©

## YOUR RESULTS

Prepared by:

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# EXECUTIVE SUMMARY

## YOUR RESIDUAL RISK SCORE


4.5

Your document was assigned a **residual risk score of 4.5**, indicating a **medium overall residual risk level after controls and mitigating actions**.

While the document provides a strong starting point for sustainability efforts, this assessment identifies key areas for improvement to better align with evolving stakeholder expectations and leading practices.

At the same time, the report acknowledges several encouraging aspects of Make It Yours' current approach and outlines opportunities to enhance its overall effectiveness and credibility.



## Key Metrics

### Risk and Opportunity Levels

Total Risk Average: **7.00**

Total Opportunity Average: **7.00**

### Total Residual Risk Score

The Total Residual Risk is the remaining risk after implementing controls or mitigation actions.

**3 out of 10**

## Risk Considerations

The review identified several potential risk areas, including references to net-zero commitments, instances of overstated claims, limited supporting evidence or validation, unacknowledged trade-offs, and some internal inconsistencies in governance and language. This report outlines recommended actions to address these issues. If left unresolved, these risks could expose the organisation to increased regulatory attention, reputational challenges, and a loss of stakeholder trust.

## Positive Aspects Identified

In addition to areas requiring improvement, the document showcases several strengths that can be further enhanced. This report recommends reinforcing data integrity through verification processes and refining the language used in sustainability communications to bolster credibility, ensure compliance, and build lasting stakeholder trust and value.

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# Approach

The ThinkZero Peer Review & Greenwashing Risk Assessment© consists of two key procedural components: a Peer Review and a Risk Assessment.

Our **Peer Review** process includes an evaluation of your document against best practice, our expert insights, and established sustainability standards and guidelines. In this peer review process, we assess your document against the Global Reporting Initiative (GRI) and Australian Sustainability Reporting Standards (ASRS) in particular. We then engage ThinkZero's experts to provide feedback and make recommendations about best practice.

The **Greenwashing Risk Assessment** component evaluates your document against established guidelines to identify and mitigate greenwashing risks, with the aim to improve transparency and credibility. For Australian clients, this component uses the ASIC (Australian Securities and Investments Commission) Guidelines and ACCC (Australian Competition and Consumer Commission) Guidelines. Additionally, we broadly apply insights from the 'Six Sins' of Greenwashing research framework to identify any additional issues and risks.

By combining these components, and consolidating both the commendable and challenging aspects of your document (risks and opportunities) into this single assessment, we provide a balanced, evidence-based risk appraisal from several viewpoints. Please refer to the Risk Register (Excel spreadsheet) for additional details.

| | **Specific assessment criteria** |
|---|---|
| **Peer Review** | The **Global Reporting Initiative (GRI)** standard:<br>• GRI 305 – Emissions<br>• GRI 308 – Supplier Environmental Assessment<br>• GRI 303 – Water and Effluents<br>• GRI 304 – Biodiversity<br>• GRI 302 – Energy Consumption |
| | **Australian Sustainability Reporting Standards (ASRS):**<br>• Governance & Risk Management<br>• Scenario Analysis<br>• Strategy<br>• Metrics & Targets<br>• GHG Emission Disclosure |
| **Green-washing Risk** | **ASIC (Australian Securities and Investments Commission)** Guidelines:<br>• Accuracy of product claims<br>• Vagueness of claims<br>• Misleading headline claims<br>• Transparency of sustainability integration<br>• Selective disclosure of screening criteria<br>• Undisclosed benchmark influence<br>• Explanation of sustainability metrics<br>• Justification and measurement of targets<br>• Investor information accessibility |
| | **ACCC (Australian Competition and Consumer Commission)** Guidelines:<br>• Accuracy and honesty of statements<br>• Substantiation of claims<br>• Transparency of qualifications and conditions<br>• Omission of key information<br>• Overgeneralization of claims<br>• Clarity and accessibility of language<br>• Misleading visual representation<br>• Transparency regarding transition efforts |
| | The 'Six Sins' of Greenwashing: the hidden trade off, no proof, vagueness, irrelevance, lesser of two evils, and fibbing |

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# MITIGATION ACTIONS & RESIDUAL RISK SCORES

(including references to relevant best practice policies, regulations, and guidelines)

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| Issue Category | Relevant Policy and Guidelines References | Assumed Controls - Mitigation Actions | Residual risk score |
|---|---|---|---|
| **ISSUE 23: Metrics and Targets** | • Refer to ASIC Guidelines for Avoiding Greenwashing, Information Sheet 271 (INFO 271). See, specifically: Undisclosed benchmark influence and Explanation of sustainability metrics<br><br>• Refer to ACCC Guidelines for making environmental claims. See, specifically: Substantiation of claims and Transparency on transition efforts<br><br>• Refer to ASRS, AASB S2. See, specifically: Strategy- Transition plans, assumptions, and dependencies<br><br>• Refer to IFRS S2 Volume ## for [Your Sector]. See, specifically: [technical reference to sector specific metrics] | Directly mention alignment with national targets. Provide clarity and transparency in the document. Clarify what is meant by "deliver" in this section - in 2 years, should the public expect that these targets are announced, achieved, or merely set (but confidential internally)? | 3 |

**APPENDIX 1:**

# Issue Rating Matrix: Issue Impact Level and Likelihood

## Grade: Combined effect of Impact/Likelihood

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Likelihood** | | **Rare** | **Unlikely** | **Possible** | **Likely** | **Almost Certain** |
| | **Score** | | **1** | **2** | **3** | **4** | **5** |
| | **Extreme** | **5** | 4 | 7 | 8 | 10 | 10 |
| | **High** | **4** | 3 | 5 | 8 | 9 | 10 |
| **Impact** | **Moderate** | **3** | 2 | 5 | 6 | 8 | 8 |
| | **Minor** | **2** | 1 | 3 | 5 | 5 | 7 |
| | **Insignificant** | **1** | 1 | 1 | 2 | 3 | 4 |



## Recommended actions for rank of issue

| | **Rating** | **Risk Level Guide** | **Risk mitigation actions** |
|---|---|---|---|
| Extreme | 9-10 | Level 4 | Mitigation actions to reduce the likelihood and impact to be identified and implemented as soon as the project commences. Must be dealt with by the executive team and referred to the board and will require detailed treatment plans to reduce the risk to low or medium |
| High | 7-8 | Level 4 | Mitigation actions to reduce the likelihood and impact to be identified and appropriate actions implemented during project execution. Must be dealt with by the executive team and referred to funding partner and will require detailed treatment plans to reduce the risk to low or medium |
| Medium | 4-6 | Level 3 | Mitigation actions to reduce the likelihood and seriousness to be identified and costed for possible action if funds permit. Executive team specify management requirements and notify funding partner |
| Low | 3 | Level 2 (watch list) | To be noted - no action is needed unless grading increases over time. Manage by routine procedures |
| Negligible | 1-2 | Level 1 (watch list) | To be noted - no action is needed unless grading increases over time. Manage by routine procedures |

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