December 2025

Developments in ESG governance, disclosure, financial regulation and litigation

ESG Matters

In this December edition of ESG Matters, our Highlight discusses the trilogue agreement between EU legislators on Omnibus to revise the CSRD and CSDDD. Our Spotlight section provides updates on recent developments in ESG governance, disclosure, financial regulation, and litigation.

1 November in brief

Below you will find this year's last edition of ESG Matters. Our Spotlight section updates you on a variety of 27 developments. Just to name a few:

- various Omnibus developments;
- SFDR 2.0 proposal;
- IEA World Energy Outlook 2025;
- EU Climate Law-aligned sectoral decarbonisation pathways;
- various ESG litigation developments.

Our Highlight focuses on the provisional agreement by EU legislators to revise CSRD and CSDDD under Omnibus, as well as its implementation in the Netherlands.

We hope you enjoy reading this edition of ESG Matters and we will continue to update you in 2026.

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2 Highlight: Trilogue agreement on Omnibus

EU institutions have reached a provisional agreement on Omnibus. In this Highlight, we provide a summary of the main changes to CSRD and CSDDD as per these discussions and summarise the next steps including implementation in the Netherlands.

Provisional agreement

On 8 December 2025, the European Commission (EC), European Parliament (EP) and Council reached a provisional agreement on Sustainability Omnibus I after trilogue negotiations between the institutions. The Council and EP must now give their formal approval on the provisional agreement:

- The Council (COREPER II) will vote on 10 December;
- The JURI committee of the EP will vote on 11 December;
- The EP will vote on the final text by 16 December.

If all institutions approve the agreement, the text will be finalised and published in the Official Journal of the EU.

While the text of the provisional agreement is not yet available at the time of writing this article, we provide you with a summary of changes following the press releases and press conference of the institutions.

CSRD

1. Scope

One of the most debated elements of Omnibus was the application threshold for the CSRD. The provisional agreement will limit the scope of CSRD to EU companies that have:

- more than 1,000 employees; and
- a net turnover exceeding EUR 450 million.

As a result, EU companies that have between 500 and 1,000 employees will no longer be subject to mandatory CSRD reporting. Financial holding companies will also benefit from an exemption.

For non-EU companies, the CSRD will apply if they generate > EUR 450 million net turnover in the EU. This mirrors the revised turnover threshold for EU undertakings.

Additionally, a review clause was added to reassess the scope of CSRD and CSDDD at a later stage.

2. Transitional exemption for wave 1 companies that fall out of scope

As Omnibus revises the scope of CSRD, while CSRD is already applicable, this creates a strange situation for entities that are in scope as wave 1 companies under the current CSRD, but that will fall out of scope of CSRD pursuant to Omnibus.

The provisional agreement introduces an important transitional exemption for these companies. They will be exempt from CSRD reporting for FY 2025 and FY 2026 under the current CSRD regime, after which they will become out of scope if Omnibus is fully implemented.

This transition regime was not part of the negotiation mandates of the EP, EC or Council but was introduced during trilogue negotiations.

3. Trickle-down effect and voluntary reporting

The EC, Council and EP agreed on a 'value chain-cap' that aims to protect out-of-scope companies from burdensome sustainability information requests by in-scope CSRD companies (the so-called 'trickle-down effect'). To achieve this, the value chain cap will in short prohibit in-scope companies to request sustainability information from out-of-scope companies that goes beyond the voluntary reporting standards (VSME), except if the information is commonly shared within the sector. Out-of-scope companies must therefore make an informed decision on whether they will report based on the VSME.

4. No sector-specific ESRS

All institutions agree to abandon the development of mandatory sector-specific ESRS. Instead, the EC will develop sector-specific reporting standards that companies can choose to apply on a voluntary basis.

5. Revision of the ESRS

The substantive simplification of the ESRS is not part of the trilogue negotiations, because it is separately carried out by EFRAG. The latest draft simplified ESRS published on 2 December 2025 would reduce mandatory data points by 61%.

CSDDD

1. Scope

On CSDDD, the provisional agreement narrows the scope of CSDDD to EU companies that have:

- more than 5,000 employees; and
- more than EUR 1.5 billion net annual turnover.

The CSDDD will apply to non-EU companies that generate a net turnover in the EU of more than EUR 1.5 billion. These companies are considered most able to influence their value chains and absorb the costs of due diligence processes.

2. Removal of the mandatory climate transition plan

A key element of the provisional agreement is the entire removal of the mandatory climate transition plan under CSDDD. This goes beyond the earlier proposals of the EC and the Council. Under the final political compromise, companies will no longer be required to adopt or put into effect any mandatory climate transition plan. Companies that will remain in scope of CSRD will however need to continue sustainability disclosures about their climate transition plan, if they have one.

3. Due diligence on human rights and environment

In conducting human rights and environmental due diligence under the CSDDD, companies may focus on the parts of their chains of activities where adverse impacts are most likely or most severe. They may prioritise direct business partners where risks are equally likely or severe across multiple areas. A full mapping exercise is not required: companies may instead rely on a general scoping exercise based on reasonably available information.

4. Enforcement and civil liability

Member States shall determine amounts for supervisory penalties for non-compliance with the CSDDD. The provisional agreement sets the maximum fine amount at 3% of the company's net worldwide turnover. The EC will issue guidance for setting penalties.

All institutions agree that the harmonised civil liability regime for infringements of the CSDDD should be removed. This means that civil liability will be left to the civil law systems of individual Member States. A review clause will allow for reconsideration of a harmonised regime in the future.

Implementation in the Netherlands

In the Netherlands, the CSRD has not yet been implemented into Dutch law. On 3 December 2025, the government reaffirmed that it will finalise the CSRD Implementation Act after the EU reaches a final deal on Omnibus. After incorporation of the final Omnibus changes, the memorandum of changes will be sent to the Council of State (Raad van State) for advice. The draft CSRD Implementation Act will then be submitted to Parliament for discussion and approval. As the Dutch Senate will leave for Christmas recess on 17 December, and the House of Representatives on 19 December, the CSRD will very likely not be implemented into Dutch law before the end of 2025. The CSDDD will be implemented at a later stage via a separate implementation act.

What this means for you:

- The trilogue negotiations have now resulted in a provisional agreement on CSRD and CSDDD, which will require formal endorsement by the Council and the European Parliament in December 2025.
- If formally approved, the provisional Omnibus agreement will result in a major scale-down of CSRD and CSDDD. The EU regime for sustainability reporting, due diligence, and climate plan obligations will be significantly reduced for EU and non-EU companies.
- In the Netherlands, the CSRD will be implemented only after incorporation of the final Omnibus text into the draft CSRD Implementation Act. In view of the procedural timelines and Christmas recess, the CSRD will very likely not be implemented in the Netherlands before the end of 2025. The CSDDD will be implemented via a separate act at a later stage.

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3 Spotlight on ESG developments

Governance & transition

European Parliament adopts substantive Omnibus position and schedules final vote on 16 December

On 13 November, the European Parliament (EP) adopted its negotiation position on the EC's substantive Omnibus proposal to simplify the CSRD and CSDDD (382 in favour, 249 against, 13 abstentions). The EP proposes a narrowing of the scope of CSRD to EU companies with over 1,750 employees and a net turnover over EUR 450 million. For non-EU companies, it proposes to raise the application threshold for EU branches and subsidiaries from EUR 50 million to EUR 450 million. It also backs simplified reporting standards, fewer qualitative disclosures, and proposes voluntary sector-specific standards for conducting the Double Materiality Assessment (DMA). Out-of-scope companies would be protected from information requests beyond the voluntary standards (the so-called 'value chain cap'). The scope of CSDDD would be limited to EU companies with over 5,000 employees and a turnover above EUR 1.5 billion. The mandatory climate transition plan would be removed while the risk-based approach to due diligence would be retained. Civil liability would be handled at national level. The EP also calls for a new digital portal providing free access to EU reporting templates and guidance. On 8 December, the EU institutions reached a provisional agreement. Trilogue negotiations with the EP and Council have concluded on 8 December, with the objective of concluding negotiations by the end of 2025. The EP has scheduled to vote on the final negotiated text on 16 December (12:30 – 13:30 CET). See this month's Highlight for more information.

IEA publishes world energy outlook 2025

On 12 November, the International Energy Agency (IEA) released its annual World Energy Outlook 2025. 2024 was the hottest year on record with global temperatures exceeding 1.5°C above pre-industrial levels for the first time. Global energy-related CO2 emissions reached a record 38 Gt in 2024. Intensifying geopolitical and market risks are reshaping global energy security across fuels, technologies and supply chains. Targeted policy frameworks, accelerated grid expansion and more diversified supply chains will be essential for governments seeking to strengthen energy security and advance the clean energy transition. The report presents four scenarios: Current Policies (CPs), Stated Policies (STEPS), Net Zero Emissions (NZE) and a new universal access scenario (ACCESS). The scenarios are not forecasts but rather aim to illustrate the implications of different policy and investment choices for energy demand, emissions and energy system resilience.

EC publishes sectoral decarbonisation pathways

On 12 November, the EC published 25 sectoral decarbonisation pathways that align with the EU Climate Law. These voluntary science-based pathways aim to support companies in developing credible climate transition plans, including emission reduction targets compatible with EU climate neutrality by 2050, and to identify key decarbonisation levers. The pathways also integrate EU climate targets with sustainability reporting requirements. The guidance aligns with the CSRD disclosure requirements (ESRS) and the Science Based Targets initiative (SBTi). On the same date, the EC also published a report on the EU's efforts to align finance flows with the objectives of the Paris Agreement.

TNZP publishes COP30 report on global net zero policy progress

On 11 November, the Taskforce on Net Zero Policy (TNZP) published its report Policy Matters: from pledges to delivery – a decade after Paris. Most G20 policymakers remain on the net zero reform path but must act faster and more cohesively to keep 1.5°C within reach, particularly given the likelihood of a temporary overshoot. It underscores the need for integrated policy frameworks that combine mitigation, adaptation, nature and just transition objectives, along with high-integrity carbon markets and stronger accountability through mandatory disclosures and third-party verification. The TNZP also notes a strong increase in climate litigation since 2017 and highlights growing pressure on companies resulting from regulatory requirements and intensified scrutiny. TNZP calls for greater transparency in corporate and trade-association advocacy. It identifies three priorities: assessing the effectiveness of key policies, enhancing cross-jurisdictional learning and interoperability, and strengthening coherence between sustainable finance frameworks and real-economy measures.

EU reaches provisional agreement on EU climate law for 2040

On 6 November, EU institutions reached a provisional agreement on the European Climate Law for 2040. It sets a target to reduce greenhouse gas emissions by 90% in 2040 compared to 1990 levels. The agreement introduces flexibilities allowing member states to meet up to 5% of the target through international carbon credits, with the option to expand this to 10%, effectively lowering the share of emissions reductions achieved within the EU. It also delays the launch of the new carbon market for buildings and road transport (ETS2) to 2028 and sets an interim 2035 goal of 66–72.5% reductions. The target has received criticism on environmental integrity and its effect on investments in domestic decarbonisation efforts. The Council and Parliament are expected to formally adopt the agreement in 2025.

TNFD publishes guidance on integrating nature into transition plans

On 6 November, the Taskforce on Nature-related Financial Disclosures (TNFD) published new guidance to support organisations in integrating nature-related considerations into their transition plans. The document outlines how companies and financial institutions can incorporate nature into forward-looking strategies, actions and accountability mechanisms, and how related information can be disclosed to investors and stakeholders. The guidance builds on existing market practices for climate transition planning, including approaches developed by the Glasgow Financial Alliance for Net Zero (GFANZ) and the Transition Plan Taskforce (TPT).

UNEP publishes Emissions Gap Report 2025

On 4 November, the UN Environment Programme (UNEP) published its Emissions Gap Report 2025. The report assesses the gap between greenhouse gas emission levels consistent with the Paris Agreement and current and projected emission levels under the Nationally Determined Contributions (NDCs). The report finds that full implementation of current NDCs would result in a 2.3–2.5°C temperature rise by 2100 (2024 report: 2.6–3.1°C). If current policies continue, global warming could reach around 2.8°C (2024 report: 2.9–3.2°C). Global greenhouse gas emissions rose further in 2024, reaching 57.7 gigatonnes of CO_2-equivalent. Only 60 parties have submitted or announced new 2035 targets, and countries remain off track to meet their 2030 commitments. UNEP warns that surpassing the 1.5°C threshold is increasingly likely within the next decade, underscoring the urgent need for accelerated mitigation efforts.

Disclosure

Dutch draft CSRD implementation act amended, and Minister provides timeline

On 27 November, the Dutch Minister of Finance submitted a second amendment to the draft Act implementing the CSRD. It proposes several technical adjustments and an extension of the temporary regime for appointing the auditor responsible for the FY 2026 sustainability statement (see also the decision list of the Finance committee). On 3 December, the Minister of Finance provided a timeline stating that the government will await the outcome of the EU trilogue negotiations on Omnibus before implementing the CSRD into Dutch law. The EP has scheduled its vote on the final negotiated text on 16 December. Based on the final EU text, the government will update the draft CSRD Implementation Act and submit the memorandum of changes to the Council of State (Raad van State) for advice. After that, the draft CSRD Implementation Act will be submitted to the House of Representatives (Tweede Kamer). As the House of Representatives will leave for its Christmas recess on on 19 December, the envisaged implementation of the CSRD before the end of this year does not seem feasible anymore.

Council adopts position on EU Deforestation Regulation

On 24 November, the Council determined its position on the revision of the EU Deforestation-free products Regulation (EUDR). The Council supports the EC's proposed simplification of the due diligence process and introduces a uniform one-year extension of the application date for medium and large operators to 30 December 2026, with an additional six months for micro and small operators (application date 30 June 2027). It removes the previously proposed grace period for larger companies and maintains measures to reduce administrative burdens while preserving the regulation's objectives. Further key changes include limiting due diligence obligations to operators first placing products on the market, removing separate statements for downstream operators, and introducing a one-off simplified declaration for micro and small primary operators. Negotiations with the EP will now begin, with the aim of reaching agreement before the current EUDR becomes applicable on 30 December 2025.

ISSB announces development of new nature reporting standards

On 18 November, the International Sustainability Standards Board (ISSB) announced that it will develop new disclosure requirements on nature-related risks and opportunities. It will build on the work of the Taskforce on Nature-related Financial Disclosures (TNFD), who announced that they will conclude their work on this topic in Q3 2026. The ISSB will agree on its approach to standard-setting in the coming months. Options include application guidance or amendments to existing ISSB Standards, industry-based guidance, additional sources of guidance or a new standard. This work will be subject to public consultation. ISSB will publish its exposure draft disclosure requirements by October 2026.

CSRD quick fix regulation published in Official Journal

On 10 November, the Delegated Regulation postponing certain European Sustainability Reporting Standards (ESRS) reporting requirements was published in the Official Journal. The amendment, also known as the Quick Fix Regulation, allows companies that were required to first report under CSRD on FY 2024 (so-called wave 1 companies) to continue omitting certain disclosures in their FY 2025 and 2026 reporting. The Delegated Regulation applies retrospectively to financial years starting on or after 1 January 2025.

EC publishes reports on energy union and climate action progress

On 6 November, the European Commission published the 2025 State of the Energy Union Report and the Climate Action Progress Report. The reports highlight sustained progress in deploying clean energy, reducing GHG emissions and strengthening energy security by reducing reliance on imported fossil fuels. Provisional data shows that EU GHG emissions fell by 2.5% in 2024 compared with 2023 and are now 37.2% below 1990 levels (39% for domestic emissions only), while GDP has grown by 71% over the same period. The EU remains on track to meet its objectives for 2030 of 55% net GHG emissions reduction and achieving 42.5% renewable energy. Meeting future objectives will require accelerated electrification, substantial investment in grids, increased energy efficiency efforts and innovation.

Financial institutions & regulation

EC publishes SFDR 2.0 proposal

On 20 November, the EC published its proposal for a revision of the Sustainable Financial Disclosure Regulation (SFDR 2.0) including FAQs. It aims to simplify the EU's transparency framework for sustainable financial products. SFDR 2.0 introduces several key changes:

- New product categorisation: (1) ESG basics; (2) transition; (3) sustainable. The new 'transition' category applies to products investing in companies or project that are not yet sustainable but are on a credible transition path, or that contribute to improvements in ESG areas. At least 70% of investments must be allocated in accordance with the product's binding ESG strategy. Exclusions apply for each product category.
- Asset managers will be removed from the scope.
- The entity-level statement on principal adverse impacts (PAI) will be removed to avoid duplication with the CSRD and reduce administrative burdens.
- Product-level disclosures will be limited to comparable, meaningful information that is directly linked to the sustainability characteristics of the product. The Delegated Act to be developed will limit the disclosure format to two pages.
- The 'sustainable investment' definition is deleted.

The proposal will now be submitted to the EP and Council. See also this post for more information.

IPSF publishes 2025 annual report on sustainable finance implementation

On 14 November, the International Platform on Sustainable Finance (IPSF) published its 2025 Annual Report, providing an overview of progress as jurisdictions move from designing sustainable finance frameworks to putting them into practice. The report highlights steady consolidation of core framework elements, including taxonomies, transition plans and disclosure regimes. Sustainable finance is broadening beyond green-labelled activities to enable credible transitions in harder-to-abate sectors, requiring clearer definitions, sector-specific benchmarks and closer links between financial frameworks and industrial strategies. Common elements are emerging as member states work to avoid fragmentation, reduce greenwashing risks and channel capital towards real-economy transition needs.

NGFS publishes updated guide on climate scenario analysis

On 13 November, the Network for Greening the Financial System (NGFS) published an updated edition of its Guide on Climate Scenario Analysis, building on the first version released in 2020. The new edition reflects the substantial progress made in climate scenario design, data availability and modelling over recent years, and incorporates lessons learned from supervisory exercises and financial institutions' risk management practices. It outlines developments in both long-term and short-term NGFS scenarios, the latter becoming increasingly relevant for assessing near-term financial risks linked to climate change and policy shifts.

NGFS publishes explanatory notes on long-term climate scenarios

On 7 November, the Network for Greening the Financial System (NGFS) published a set of explanatory notes on its long-term climate scenarios. The notes aim to improve the clarity of the assumptions and narratives underpinning the NGFS scenarios to foster a better understanding and broader adoption of these scenarios. The NGFS also released two resources on physical risks: an updated 2025 version of the Climate Impact Explorer, accompanied by a methodological note on acute physical risk narratives, and a note on climate tipping points outlining current scientific insights and implications for the NGFS scenarios. These materials aim to support more effective application of NGFS scenarios as the global reference framework for assessing climate-related financial risks.

EBA publishes final guidelines on environmental scenario analysis

On 6 November, the European Banking Authority (EBA) published its final Guidelines on environmental scenario analysis, complementing the EBA Guidelines on the management of ESG risks issued in January 2025. The new Guidelines specify supervisory expectations on how institutions should conduct environmental scenario analyses to strengthen their ability to use forward-looking approaches when assessing and managing environmental risks. They are built on two complementary pillars: the integration of environmental risks into existing stress-testing frameworks to assess short-term financial impacts and ensure adequate capital and liquidity levels, and resilience analysis to evaluate medium- to long-term effects of environmental risks and opportunities on business models, strategies and risk profiles. Social and governance factors are not in scope of the Guidelines, as such approaches are not considered sufficiently mature. The Guidelines will apply from 1 January 2027.

IPSF publishes 2025 annual report

On 6 November, the International Platform on Sustainable Finance (IPSF) published its 2025 Annual Report, providing an overview of its activities in its sixth year of operation. The IPSF worked on integrating biodiversity and nature considerations into sustainable finance frameworks. It compared the definition and implementation of Do No Significant Harm (DNSH) principles in different jurisdictions. Additionally, the IPSF launched a workstream on strategic sectors and critical raw materials relevant to the green transition, and and contributed to international initiatives. The report also summarises sustainable finance policy developments across IPSF jurisdictions.

FAQs on Green Bond Regulation published in Official Journal

On 6 November, new FAQs on Regulation (EU) 2023/2631 were published in the Official Journal of the European Union. They clarify the voluntary EU Green Bond Standard and aim to support a more user-friendly sustainable finance framework. The FAQs address the use of the "green bond" designation, the allocation of proceeds and required EU Taxonomy-alignment, as well as obligations regarding factsheets, disclosures in prospectuses and listing requirements, and the role of external verification.

NGFS publishes declaration on the economic cost of climate inaction

On 5 November, the Network for Greening the Financial System (NGFS) released its Declaration on the Economic Cost of Climate Inaction ahead of COP30 in Belém. It states that global emission trajectories remain misaligned with the Paris Agreement and warns that delayed climate action significantly increases economic and financial risks. Regional extreme weather events could lead to substantial GDP losses within a 3-5 year horizon, with estimates ranging from 6% of GDP in Asia to 12.5% in Africa. Early, coordinated policy implementation could halve transition costs by 2030 compared with a three-year delay. Climate-related shocks may generate global spillovers by disrupting food systems, energy markets and supply chains, particularly affecting vulnerable economies. NGFS calls on financial institutions to integrate climate and nature-related risks through scenario analysis, disclosure and transition planning.

ESAs publish new Q&A on SFDR delegated regulation

On 4 November, the European Supervisory Authorities (ESAs) published one new Q&A on the application of the SFDR Delegated Regulation. The Q&A relates to the entity level principal adverse impacts (PAI) statement, and more specifically the description of actions taken, planned or targets set to avoid and reduce PAI at entity level. The Q&A clarifies that financial market participants should provide, for each identified PAI, information on how they assess the need to take action, including any relevant thresholds or criteria that would trigger mitigation measures. It further specifies that disclosures should outline actions taken in the previous year and those planned or targeted for the coming year. The ESAs consider this necessary to ensure that disclosures are fair, clear and not misleading.

MiFIR RTS on emission rights trading published in Official Journal

On 3 November, Commission Delegated Regulation (EU) 2025/1246 was published in the Official Journal of the EU. It amends the regulatory technical standards (RTS) under MiFIR regarding transparency requirements for trading venues and investment firms. On emissions trading, it updates pre- and post-trade transparency obligations for emission rights, including more granular data publication, enhanced transaction reporting and harmonised disclosure formats. The changes aim to support more efficient price formation and improve oversight within the EU Emissions Trading System (ETS). Some provisions will apply from 2 March 2026, with the remaining requirements applying from the date of entry into force.

Litigation

US class action filed by homeowners on alleged climate deception

On 27 November, a class action lawsuit, Kennedy et al. v. Exxon Mobil Corporation et al., was filed at a Washington district court. Plaintiffs allege that several major oil companies and the American Petroleum Institute conducted a decades-long campaign to misrepresent climate science. What distinguishes this case is the alleged direct connection between the alleged deception and the current home insurance crisis in the United States. Plaintiffs contend that climate-driven extreme weather has contributed to increasing homeowners' insurance premiums and reduced market availability, and that these harms were foreseeably intensified by the defendants' misinformation campaigns. If the court would accept plaintiffs' theory of economic damages linked to climate deception, this could significantly broaden the scope of potential climate related liability.

ASIC fines Australian trustee for environmental claims

On 6 November, the Australian Securities and Investments Commission (ASIC) announced that H.E.S.T. Australia Ltd, the trustee of the HESTA superannuation fund, paid AUD 37,560 in compliance with two infringement notices for misleading statements. Between 15 April 2021 and 18 December 2024, HESTA placed paid advertisements on Google and Bing stating that it was "committed to remove all investment in carbon emissions by 2050". ASIC considered these statements misleading, as HESTA's target was to achieve net zero emissions across its investment portfolio by 2050, which can be met through offsetting rather than complete divestment. The advertisements were linked to the fund's website. ASIC stated that the representations overstated HESTA's commitment to reducing investment in carbon emissions. HESTA reported the matter to ASIC and paid the infringement notices on 3 November 2025.

EU airlines agree to amend environmental claims

On 6 November, the European Commission reported that 21 airlines committed to change their environmental marketing practices following a dialogue with the Consumer Protection Cooperation (CPC) Network. The commitments address claims suggesting that CO_2 emissions from specific flights could be neutralised, offset, or reduced through voluntary payments or use of alternative aviation fuels. The airlines will cease such claims and ensure clearer, substantiated information on future environmental performance, including timelines and measurable steps toward emission reductions. Terms such as "sustainable aviation fuels" will only be used with appropriate clarifications and vague or unverified green terminology will be avoided. National consumer authorities will monitor implementation. The action follows a 2023 alert by the European Consumer Organisation (BEUC) regarding misleading environmental claims in the aviation sector.

German prosecutor investigates board member for potentially misleading sustainability reporting

On 3 November, the public prosecutor's office in Cottbus confirmed that it had opened a formal criminal investigation against an executive of Lausitz Energie Bergbau AG (LEAG) following a complaint filed by environmental organisation Deutsche Umwelthilfe (DUH). The complaint, submitted in April 2025, alleges that LEAG failed to report significant emissions from its lignite mining operations in its management report, potentially leading to an underestimation of the company's total emissions. DUH also claims that LEAG did not sufficiently disclose other environmental impacts or financial risks linked to land rehabilitation obligations resulting from coal mining. The organisation further criticised what it views as misleading portrayals of LEAG's renewable-energy activities and called for full transparency and accountability if reporting violations are confirmed.

US beef producer settles greenwashing lawsuit

On 3 November, the Office of the New York Attorney General reached a USD 1.1 million settlement with JBS USA Food Company and JBS USA Food Company Holdings, subsidiaries of the JBS Group, the world's largest beef producer. The settlement resolves a 2024 lawsuit alleging that JBS USA misled consumers by claiming it would achieve "net zero" greenhouse gas emissions by 2040 without having a credible plan to do so. An investigation found that the company had not calculated its total emissions or developed a strategy to meet the target. Under the agreement, JBS USA will pay USD 1.1 million to support climate-smart agriculture programs in New York and must stop making unsubstantiated environmental claims. The company will also be subject to three years of compliance monitoring and annual reporting to the Attorney General's office.

Questions?

If you have any questions or comments on a specific ESG topic, please contact our Sustainable Business & Climate Change team. To receive ESG Matters, please sign up.

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