

NY Court Stalls JBS Greenwashing Suit

Gonzalo E. Mon, Katie Rogers

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In 2023, NAD reviewed claims that JBS had made about its goal “to be net zero by 2040.” NAD [determined](#) that although the company had taken steps to reach the goal, those steps weren’t enough to support the claim. In 2024, the NY Attorney General filed a [lawsuit](#) against JBS under the same rationale. Two key questions in these (and [other](#)) cases are (1) whether claims about future goals can be actionable under the law and, if so, (2) how much support a company needs. The NY Supreme Court recently considered these during a hearing on the JBS suit.

Although the judge accepted the AG’s “argument that a promise for results without a plan can form the predicate for a fraud claim...under New York law,” he noted that JBS had taken some steps towards the goal. “You’re doing stuff,” he said, and JBS’s legal team elaborated on what the company had done. Among other things, JBS has allegedly spent millions of dollars to lay groundwork for its efforts, partnered with various experts to come up with a plan, and issued a \$1 billion Sustainability-Linked Bond, linked to its climate goals. (You can read more [here](#).)

The judge also took a close look at the language JBS had used when advertising its goals. Although some of the company’s claims had originally arguably been phrased as promises, JBS softened some of those claims after the NAD decision. For example, the judge noted that JBS had changed “commitment to achieve” or “we’re going to get there” to “ambition to achieve.” The judge suggested that using words like “ambition” and “goal” create a different impression because they “aren’t the same language as a promise to achieve a particular result.” The judge seemed unconvinced that the revised statements were actionable under the General Business Law statute in NY.

The court gave the AG 90 days to file an amended complaint to address the issues raised during the hearing. It’s too early to predict how this case will turn out but the hearing suggests that – at least in the eyes of one court – a company can make aspirational claims as long as it clearly describes them as goals, rather than promises, and it has a reasonable plan to achieve them. Of course, there can be a thin line separating goals from promises and there will certainly be debate over whether a plan is sufficiently reasonable (as [this case](#) demonstrates).

Stay tuned for further updates.